

Different

150



Herald Tribune

PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST

The World's Daily Newspaper

Paris, Wednesday, March 29, 1995

No. 34,861

Tokyo Merger Creates a Superbank as Global Leader

Union Of Mitsubishi And the Bank of Tokyo To Dwarf Competitors

By Sheryl WuDunn
New York Times Service

TOKYO — The talks began over a few drinks between the presidents of two of Japan's foremost banks. They resulted in the announcement of a merger that, if finalized, would create the largest bank in the world, nearly four times the size of Citicorp.

After a cagey trail of "no comments" and denials earlier in the day, the presidents of Mitsubishi Bank Ltd. and the Bank of Tokyo sat shoulder-to-shoulder Tuesday night to declare that the two banks planned to merge.

The new bank, tentatively called Tokyo-Mitsubishi Bank, would combine the two Japanese banks with the highest quality assets, creating a powerful superbank that linked Bank of Tokyo's strong global presence with Mitsubishi's extensive domestic branch network.

"It's like marrying the two most beautiful people in the world," said Alicia Ogawa, a financial analyst at Salomon Brothers Asia Ltd. "Hey, let's spread the wealth around."

The new bank would have assets of 72.8 trillion yen (\$820 billion), more than the largest U.S. and European banks — Citicorp and Credit Lyonnais — combined.

Before trading in both banks' stock was suspended on Tuesday, Bank of Tokyo's shares rose 150 yen, or 12 percent, to 1,400 yen, while Mitsubishi Bank's shares climbed 160 yen, or 8 percent, to 2,150 yen.

The Japanese stock market, moreover, staged its biggest rally in two months on speculation of the merger. The Nikkei 225 stock index rose 585.48 points to close at 16,681.73.

Since both banks have sizable subsidiaries in California, the proposed linkage raised questions about how United States regulatory authorities would view the merger. Mitsubishi Bank owns Bank of California, while Bank of Tokyo owns Union Bank.

The two bank presidents declined to give specific details on how the merger would occur, but shareholders were expected to vote on the deal in May, analysts said.

Mitsubishi Bank was founded as the Mitsubishi Exchange Office, established in 1880 by Yataro Iwasaki, founder of the giant Mitsubishi group. How much banks have changed, however, was underscored by the way in which the presidents on Tuesday suggested how the merger came about: Simply put, the two men just seemed to get along with each other.

"As bank presidents, we frequently met in various occasions, including drinking."

See BANK, Page 6



FIRST LADY IN INDIA — Hillary Clinton, continuing her tour of South Asia, being greeted Monday by nuns at Mother Teresa's orphanage in New Delhi.

A Nigerian Killing Field That's Also Rich in Oil

By Howard W. French
New York Times Service

AMINIBOKO, Nigeria — Two years after reports of a government-directed campaign of killings first began to filter out of this oil-producing region of southeastern Nigeria, an international human rights group says that it has collected many accounts of victims and participants in military attacks on the Ogoni ethnic group.

According to a report by the organization, Human Rights Watch/Africa, over the last two years Nigerian soldiers have repeatedly attacked Ogoni hamlets, shooting unarmed villagers, raping women and burning their homes.

In one of these attacks in 1993, the report said, soldiers

were told they were being sent to repel an incursion by troops of neighboring Cameroon into a disputed border region.

"When we arrived, they told us to shoot everyone who crossed our path," a Nigerian soldier who took part in the attack on an Ogoni village told Human Rights Watch. "I followed my orders until I realized that the approaching civilians were Nigerians."

The reports of army-led drives against the Ogoni — a 500,000-member ethnic group whose densely populated homeland is situated in Nigeria's oldest oil-producing region — come at a time of growing calls, both inside Nigeria and abroad, for sanctions to isolate the dictatorship of General Sani Abacha.

At the heart of the campaign of violence, residents of

the oil-producing Niger River Delta say, is a conflict that pits the interests of the Ogoni against Shell Petroleum Development Co. of Nigeria. For years, the Ogoni have been at the forefront of demands by many of Nigeria's ethnic minorities that the government both do more to protect their environment and share more revenue with oil-producing lands in the southeast.

In addition to destroying their lands, the Ogoni have variously accused Shell of ordering army reprisals and of providing support to the military in its campaign against the Ogoni in the form of money and intelligence.

Shell officials at the company's sprawling operational headquarters for eastern Nigeria in Port Harcourt, the capital of Rivers state, deny both assertions, saying that

See NIGERIA, Page 6

UN Corruption Cop: New Man on a Very Political Beat

By Julia Preston
Washington Post Service

NEW YORK — He doesn't look like a gunshoe. His suit is natty and his air urbane. His English is flawless, polished during the many years he served the German government at its embassy in Washington.

Karl Theodore Paschke is the top management cop at the United Nations, in

charge of ferreting out waste and corruption in the organization's notorious bureaucracy. He is the first official to fill a job, informally known as inspector-general, that was created last year by the UN General Assembly after a campaign by the United States and a threat from Congress to withhold funding if the organization did not act.

A lot of American money still rides on the German diplomat's performance. A bill sponsored by the Republican speaker,

Newt Gingrich of Georgia, that passed the House in February would withhold up to half of U.S. funds for UN peacekeeping unless President Bill Clinton certifies that a fully independent, adequately staffed and funded UN inspector-general is scrutinizing all branches of the system and telling governments what he or she finds.

Based on his progress so far, Mr. Paschke will find himself in coming weeks at the center of a partisan struggle in which the administration will argue that he has

met the standard and key Republicans will say he has not. Both will be partly right.

To the frustration of the U.S. Mission, which backed Mr. Paschke to fill the new post, he has been slow off the mark. Since he started in November, he has issued only one public report — on a \$4 million theft in the UN Mission in Somalia that was investigated well before he took office.

Even congressional Democrats who tra-

See UN, Page 6



END OF SUSPENSE — Clutching their trophies backstage after the 67th annual Academy Awards ceremony in Los Angeles, the top Oscar winners: Martin Landau, left, Dianne Wiest, Jessica Lange and Tom Hanks. Page 22.

AGENDA

Second U.S. Missile Defense Test Fails

WASHINGTON (Reuters) — The U.S. military failed again Tuesday to shoot down a test missile over the Atlantic Ocean with a projectile fired from a navy warship, the Pentagon said.

The failure, the military's second this month, was a high-profile setback for the Theater Missile Defense program even as Republicans in Congress are seeking to spend more on developing a defense against missile attacks.

The Pentagon said the projectile was launched from the cruiser Richmond Turner but failed to hit a test missile fired from Wallops Island, Virginia.

Fed Keeps Rates Flat

With the U.S. economy sending uncertain signals whether higher interest rates have done enough to rein in inflation, the Federal Reserve Board policymakers decided Tuesday to wait and see what happens during a particularly delicate passage for the business cycle this spring. The Federal Open Market Committee meets again in May. (Page 12)

PAGE TWO

China's Small Leap Forward

THE AMERICAS

Senate Eyes Welfare Reform

ASIA

Biological Weapons for Cult?

INTERNATIONAL

Algerian Journalists Protest

BUSINESS/FINANCE

Sony Targets Data Highway

Opinion Page 8, Sports Pages 20, 21, Books Page 7, Cartoon Page 21.

International Classified Page 4.

In Vino Veritas: Hire the Jobless

TOULOUSE, France — A million wine bottles will be used to help France's fight against near-record unemployment by carrying details of jobless young people direct to drinkers, wine producers announced Tuesday.

Each of the bottles of Fronton wine from the Tarn and Garonne region of southwestern France will have a sticker with details of one of 1,000 unemployed people under 25 years old, their work experience, the job they want and a telephone number.

"The table is a place for conviviality, but it's also a place where business is discussed," said Olivier Cabrol, representing local wine producers. "Through our bottles, we hope to reach potential employers directly."

The bottle campaign is to start across France on April 3.

"What pleased me about this operation is the really direct side of the scheme, because you get right to the table," said Stephane, one of the 1,000 job-seekers.

See PORK, Page 6

Congressional 'Pork' Addicts Stuff Military Budgets With Goodies

By Walter Pincus and Dan Morgan
Washington Post Service

WASHINGTON — Before Congress adjourned last year it passed a \$243 billion military appropriations bill containing dozens of "pork barrel" projects for members' home states, as well as numerous non-military programs that could not find financing in other bills.

The spending included \$5.4 million for Hawaii's Small Business Development Center; \$3.5 million for a military-style boot camp in Cook County, Illinois, for youthful drug offenders; \$10 million for a National Guard program to help youngsters in Los Angeles; and \$1.5 million to round up wild horses that wander onto a New Mexico missile range — a job once handled by the Bureau of Land Management.

Then came the \$15 million for developing an electric car, a project that found a home in the military bill in the late 1980s when money for energy appropriations grew tight.

Now, in its first round of serious budget cutting, Congress is slashing billions of dollars of previously approved spending, for purposes ranging from public broadcasting to housing for people with AIDS.

But the Republican leadership on Capitol Hill has left untouched the projects listed above. The spending is part of billions of dollars never sought by the Pentagon, but added to the defense bill last fall at the behest of Senators and Representatives in both parties.

"The insertion of these items has become an incredible art form," said Senator John S. McCain 3d, Republican of Arizona and a member of the Senate Armed Services Committee. An outspoken foe of pork barrel spending, he has compiled a list of more than \$6 billion in defense projects he says represent "wasteful, earmarked, nondefense, or otherwise low-priority programs."

Despite the Republicans' seizure of control of Congress in the 1994 midterm elections, Senator McCain

said, the refusal to cut these programs suggests that "business as usual" continues in Congress.

Republican leaders have protected the military as they go about the initial round of budget cutting. A House-passed bill cuts \$17.1 billion from domestic programs, but not a dime from the 1995 military budget. A tamed-down Senate version, which trims \$13.3 billion, also spares the military.

In separate, supplemental legislation, the House and Senate did propose military cuts of \$1.4 billion and \$1.9 billion, respectively, in allocating emergency funds to replenish the Pentagon's coffers. And the House cut \$502 million from the Clinton administration's technology reinvestment program, which helps defense companies convert to civilian production.

But almost all of the projects added by members last fall have survived. A House-Senate conference on the rescissions bill, scheduled to begin Wednesday, will be the last chance to kill the pork for fiscal 1995.

Among the earmarked projects approved last year: The home state of the then-chairman of the Senate

Defense Appropriations Subcommittee, Daniel K. Inouye, Democrat of Hawaii, got more than just the Small Business Center. It also pocketed \$36.4 million for the Pacific Missile Range; \$13 million for a high-performance computer facility; \$10 million to port two ships in Pearl Harbor, and additional funds for military medical facilities.

The \$3.5 million for a drug offenders' boot camp in Illinois originated with a request by the Cook County sheriff to Dan Rostenkowski, then the Democratic chairman of the House Ways and Means Committee, a congressional source said.

Mr. Rostenkowski arranged for language to be inserted in the military bill while it was before House-Senate conferees — after the measure had already been before the House and Senate for a vote.

The conferees directed "that the Department of Defense provide assistance to the county sheriff's office in the planning of a military-style regime and

See PORK, Page 6

Dow Jones	Trib Index
Down 4.87	Up 2.30%
4152.50	715.26
9:40 A.M.	9:40 A.M.
The Dollar	
Yen	138.78
DM	1.6185
Pound	1.5894
Yen	88.95
FF	4.8975

Newswatch Prices	
Andorra	9.00 FF
Antilles	11.20 FF
Cameroun	1400 CFA
Egypt	5000 E.P.
France	9.00 FF
Gabon	980 CFA
Greece	350 Dr.
Italy	2,800 Lira
Ivory Coast	1,120 CFA
Jordan	1.10 U.S.
Liban	150 U.S.
Luxembourg	60 L.F.
Morocco	12 Dh
Oman	8.00 Rials
Portugal	11.20 FF
Saudi Arabia	900 R.
Senegal	960 CFA
Spain	225 PTAS
Tunisia	1,000 Din
Turkey	1.45,000 L.
U.A.E.	8.50 Dirh
U.S. (Eur.)	\$1.10

Challenge to Officialdom/Prelude to Post-Deng Era

Legislators Balk and Take a Small Leap Forward

By Steven Mufson
Washington Post Service

BEIJING — Delegates to the National People's Congress have given China a taste of what politics might be like in the post-Deng Xiaoping era. With Mr. Deng at 90 years of age and reportedly ailing, that era may not be far off. It could be marked by the use of policy issues as proxies in a battle for personal influence among the top figures in the Communist Party, more assertiveness by legislatures traditionally used as rubber stamps for policy edicts, and the rise of strong provincial leaders ready to drive tougher bargains with the central government.

Twice this month, the Chinese Parliament mustered relatively large votes against a candidate or policy handed down by the Communist Party leadership.

Jiang Chunyun, a candidate for deputy prime minister and an ally of President Jiang Zemin, received only 66 percent of the delegates' votes, the lowest support a candidate has ever received. Another big bloc of delegates — more than one-third — voted last weekend against banking legislation that would make the People's Bank of China, under the leadership of Deputy Prime Minister Zhu Rongji, a somewhat more independent and powerful central bank.

Although neither vote threatens the power of the Communist Party's leadership to dictate policy, and although the National People's Congress will not meet again for nearly a year, the votes showed that a significant number of representatives were willing to speak out against the wishes of top leaders.

"These are both very significant," said John P. Burns, who teaches politics at the University of Hong Kong. He added that the ability of the organization department of the Communist Party to deliver votes in the Congress appears to have weakened.

It is part of a "general trend of creeping parliamentarism," said Brantly Womack, a professor of Chinese politics at the University of Virginia. In the past couple of years, provincial congresses have dealt with official sponsorship candidates, he said.

"We have less and less unanimous voting" in the National People's Congress, said Andrew Nathan, professor of Chinese politics at Columbia University. "We do see a phenomenon, over quite a few years, of...delegates occasionally taking their role more seriously."

THE legislature has rarely flexed its muscles, although China's 1982 constitution calls it "the highest organ of state power."

In 1989, when anti-government demonstrators occupied Tiananmen Square, a group of delegates signed a petition calling for the legislature to be reconvened to deal with the crisis.

In 1992, about one-third of the delegates opposed or abstained from voting on a plan pressed by Prime Minister Li Peng to build a massive dam at the scenic Three Gorges on the Yangtze River, a project that will displace more than a million people. A year later, another candidate presented to the Congress drew widespread opposition.

"That's an important trend that I believe will continue and accelerate after Deng because there will be a power vacuum," Mr. Nathan said. Without Mr. Deng to make final decisions, he added, at times the Congress or its standing committees "will be tempted to try to make them and dare anybody to contravene them when they have the constitution backing them up."

At the 40th anniversary celebration of the Congress last fall, its chairman, Qiao Shi, said the party should submit all decisions to the



Qiao Shi, left, with President Jiang Zemin. The Congress chairman has been trying to win more power for the legislature.

Congress for ratification and possible alteration.

The implicit target of Mr. Qiao's admonition was President Jiang, who, according to a mainstream Hong Kong newspaper, successfully urged many senior leaders to boycott the 40th anniversary event. Similarly, Mr. Jiang was seen by many analysts as the hidden target in last weekend's heavy vote against Jiang Chunyun, who is no relation to the president.

"The fact that so many people voted against this individual is significant as a protest vote and may be about the way Jiang Zemin is building up his own personal empire in Beijing," Mr. Burns said.

Jiang Zemin already has moved reliable allies, mostly from his power base in Shanghai but some from Shandong, into key posts, including the director of the Central Committee's general office, the deputy head of the Propaganda Department and the commander of the People's Armed Police. In addition to Jiang Chunyun, a former Shandong party secretary, the president also backed the Shanghai party secretary, Wu Bangguo, for another deputy prime ministership.

Many other provinces resent Shanghai's heavy representation in top ranks of leadership and the special priority given over the past three years to economic development in Shanghai.

IN MEETINGS with provincial delegations, senior party leaders were met with complaints of unfair revenue-sharing and interference by the central government in provincial economic plans. Delegates from Guangdong, the booming southern province that is the engine behind China's exports, were particularly vociferous.

These sessions reflect the bargaining relationship between strong provinces and the

central government, which used a new collection method last year to start taking a bigger bite of national tax revenue.

"Obviously Jiang Zemin is having to scramble hard to make sure that the party is united behind him," Mr. Burns said.

Some analysts, however, see the session of the People's Congress not as an indication of a more muscular parliament, but more as a political maneuver engineered by its chairman, Mr. Qiao, a former boss of the Communist Party intelligence apparatus who still uses his wartime cover name, has become an unlikely standard-bearer for many Chinese hoping for democratic reforms initiated from within the Communist Party.

Many hope that Mr. Qiao, 70, could become China's equivalent of Yuri V. Andropov, the former Soviet intelligence chief who took the first steps toward reforming the Soviet political system during his short tenure as Kremlin leader.

As chairman of the National People's Congress, Mr. Qiao has been trumpeting the need for a system of laws and the importance of turning the Congress into a "real power body." Such a system by definition means an erosion of China's usual sources of power — the seven-man State Council, the Communist Party's Central Committee and the whims of the party's general secretary.

"The delegates' vote against Jiang Chunyun may have been less a provincial rebellion against the center than an attempt by Qiao Shi and Tian Jiyun, and perhaps Li Ruihuan as well," to strengthen the Congress's role "as a meaningful forum for policy deliberation and decision-making," said Richard Baum, professor at the University of California at Los Angeles.

In the case of the banking legislation, opposition to the party position might have been

based both among traditional party groups wary of ceding any power to the central bank as well as from representatives taking sides in the personal power struggle among competing leaders.

"One likely arena of succession competition will be the pushing of policy agendas," said Mr. Womack of the University of Virginia. "This was a major part of Deng's activity in 1975 through 1979."

FOR the most part, the government's policy agenda was presented by Prime Minister Li. The dour but durable Mr. Li, who signed the martial law order before the bloody crackdown on anti-government demonstrators in 1989, made the opening speech, put forward the candidates for the deputy prime minister posts and held a perfunctory press conference to close the session.

In the middle of the two-week session, Mr. Li made a trip to the UN social development conference in Copenhagen, thus sidestepping caucuses that could have been confrontational. But he returned to promote the leadership's agenda of trimming growth and inflation and using the reform of state enterprises as a means of strengthening, not eliminating, state companies.

The role of such policy positions as part of the jostling for leadership posts underlines a change from most of the era in which Mr. Deng ruled China as its paramount leader by balancing different factions within his Communist coalition.

"We're going through a transition period when leaders are scrambling for position," Mr. Burns said. "Deng Xiaoping as paramount leader could stabilize the system through considerations of factional balance. But with him no longer there and no paramount leader of the same stature, no one is in position to impose that rule."

A Taste of Success
At Climate ParleyOil Producers Won't Disrupt
UN Global-Warming Meeting

Compiled by Our Staff From Dispatches

BERLIN — The United Nations opened an 11-day conference Tuesday aimed at averting global warming and climate change, and immediately notched a small success in persuading oil-producing nations not to block the proceedings.

The Berlin conference, with at least 1,000 delegates from 130 countries expected to attend, is a follow-up to the 1992 Earth Summit in Rio de Janeiro. Its goal is to establish a basis for cutting air pollution into the next century.

The people of the world "expect us to take the decisions necessary to protect them from the harm that threatens," Angela Merkel, the German environment minister, said at the opening session. She is also the president of the conference.

"We carry responsibility not only for today's generation, but also for those of the future," she said.

Among the opponents of big cuts in emissions are oil producers. Burned fossil fuels account for much of the carbon dioxide that some scientists believe is warming the atmosphere.

Oil-producing nations, led by Saudi Arabia, had threatened to deadlock the conference by insisting that voting should be by consensus only, giving them an effective veto.

But the Saudi delegation agreed in private talks with Mrs. Merkel to let the matter aside for now and let the conference proceed.

The real debate in Berlin is expected to center on two issues.

One is whether countries will commit themselves to further emission targets beyond 2000. In Rio, the industrialized nations promised to cut emissions of "greenhouse gases" to 1990 levels by 2000, but they are falling short of that.

There will also be arguments on "joint implementation," in which a formula must be found to let industrial countries offset some of their emissions quotas by helping developing nations.

Mrs. Merkel was blunt about the consequences the world could face if it lets global warming continue unchecked.

"If we don't take action, we must expect grave and irreversible consequences, a rise in sea levels, a shift in climate and vegetation zones and a deterioration in food production and the world nutrition situation are only a few examples," she said.

The awkwardly named First Conference of the Parties to the United Nations Framework Convention on Climate Change will pull together most of the 166 countries that agreed to work on global climatological problems at the Rio summit meeting in 1992.

But since those heady days, the interests of rich nations have indicated that consensus

will be hard to come by. Few of the industrial countries are on a clear path toward achieving the goal to hold emissions levels to 1990 levels.

The Berlin conference also is intended to resolve several administrative issues set in motion in Rio, including choosing a site for the headquarters of the new international climate secretariat — Canada, Germany and Switzerland are vying for the privilege — and how big a budget to allocate.

Delegates will debate whether and when to begin setting guidelines for emissions levels in the decades beyond 2000. Earthaction Network, an international umbrella organization of environmental groups, warned in a recent report: "Rising sea levels, threats to food crops, more severe floods, hurricanes, drought, increasing poverty, the spread of disease and a threat to the survival of millions of the world's species are some of the risks that we face."

The Association of Small Island States is anxious enough to demand a 20 percent cut in carbon dioxide emissions by 2005, an impossible goal at best.

"Each tick of the clock costs time lost in saving some 30 small island nations from drowning in a sea of rising tides," President Maumoon Abdul Gayoom of the Maldives said here Monday.

But some meteorologists and analysts who are skeptical of the greenhouse theory assert that global warming reflects a natural cycle of temperature fluctuation and has not been decisively tied to human actions. (Reuters, WFP)

Italian Court
Opens Way for
Smoking Ban

The Associated Press

ROME — An administrative court has ruled that public places, ranging from restaurants to post offices, must ban smoking throughout Italy.

The health minister has 30 days to decide if he will convert the ruling, issued Monday by the Lazio regional tribunal, into law.

The ruling, however, rejected a bid by consumer advocates to extend the ban to all workplaces, saying that only those open to the public would have to prohibit smoking.

Public establishments that include night clubs and bars can ask to be exempted from the ban if they install air-conditioning systems judged strong enough to keep air fresh.

On Land Returned to Jordan, an Early Harvest of Trust

By Joel Greenberg
New York Times Service

ZOFAR, Israel — With a small Jordanian flag on the windshield, Nissim Douek recently drove his dusty station wagon across the border to work his fields in territory that was handed back to Jordan under a peace treaty with Israel.

"It's a nice experiment," said Mr. Douek, an Israeli farmer, as his entry pass was inspected by

a Jordanian soldier at a checkpoint. "No problem at all."

Since early February, members of Zofar, an agricultural cooperative in the Arava Valley of the Negev Desert, have been leaving Israel daily to farm their land under an arrangement seen here as a possible model for resolving other Arab-Israeli land disputes.

The "special regime," as it is called in the treaty, allows Israeli farmers to work their fields across the border, entering with

passes issued by the Jordanians. About half of Zofar's agricultural land now lies in Jordan, part of 340 square kilometers (130 square miles) returned by Israel as part of a border demarcation between the two countries.

About 400 hectares (1,000 acres) were returned to Zofar, along with similar parcels of mostly desolate land all along Jordan's frontier with Israel.

Fields of red peppers, onions, tomatoes, squash and flowers, grown for export as well as for the Israeli market, now lie behind ramparts topped by Jordanian flags, watched by soldiers in a lookout post and in patrol vehicles.

"This is a totally new model which doesn't exist anywhere else in the world," said Gila Livni, who represented Zofar on an Israeli-Jordanian committee that worked out the new arrangements. "As residents, we took part in peacemaking. We sat down with the Jordanians and decided together how this would work, and it is going according to plan."

The same arrangement has begun in another agricultural area south of the Sea of Galilee. It grants Israelis the right to use land under Jordanian sovereignty, subject to automatic renewal every 25 years unless one side seeks a change.

Mr. Livni and other members of this community of 50 families carry Jordanian passes enabling them to enter their fields in an area known in Jordan as Al Ghamr.

About 250 hired field hands from Thailand and foreign volunteers working in Zofar can also enter the area, as well as Israeli technicians maintaining 13 water wells that serve several farming communities.

Although the zone is under Jordanian law, Israeli police officers may enter to handle disputes and investigate crimes among Israelis. The farmers are exempt from dual taxation of produce grown in the area.

The arrangement is so amiable that the Jordanians have agreed to allow four farmers to

enter with the guns they carry for self-defense. The Israelis, still wary of a possible attack by Muslim militants or by a Jordanian opposed to the peace agreement, register their weapons as they enter Jordan.

Concerns in Zofar about security risks and bureaucratic delays seem to have melted away. Some Israelis visit with the Jordanian soldiers, chatting with them over coffee, while others talk of starting joint farming ventures in the zone with Jordanians.

"This is the best solution for us; it's wonderful," said a farmer, Rafi Negev. "I fought in three wars and was seriously wounded in Lebanon. I know what war is, and I can tell you that there's nothing more beautiful than this. I didn't believe it would work out so well."

Eran Regev, who carried a pistol, said that he would have preferred to work under the Israeli flag, but that he had no complaints.

"The Jordanians are good

people," he said. "They aren't creating any difficulties. I hope it continues this way."

Lieutenant Mohammed Abu Salma, a Jordanian liaison officer, said that the transition to normal relations was quick because the border with Israel had been quiet for years.

"At first it was strange, because before we had only seen the Israelis through a fence and couldn't talk to them," he said. "But there was no real war here — no problems, just political and security restrictions. It was an easy change."

The land at Zofar that was returned by Israel during decades in which the border between the two countries was marked only by a cease-fire line drawn after the 1948 Arab-Israeli war.

"This was no land of our forefathers," said Alon Kedem, a farmer from Zofar. "And even if it was, I have no problem giving it up for peace. If it's a good peace, it's security."

TRAVEL UPDATE

France Is Facing Transport Chaos

PARIS (Reuters) — Striking workers forced Air Inter, France's main domestic airline, to cancel a third of its flights Tuesday, and disruptions were expected to spread to railroads and Paris transportation systems, officials said. The airline said the strike would probably continue Wednesday and Thursday, halving its 400 daily flights.

Rail workers were scheduled to strike from late Wednesday through Thursday, while staff at the Paris transport authority, RATP, were also planning to strike Thursday.

It was not clear how extensive the stoppage would be. A complete strike would create chaos for the millions of commuters who rely on the metropolitan transport system. Several areas of France were also hit by a postal strike.

Bizzards brought down power cables in Sweden on Tuesday, leaving 4,000 households without electricity, officials in Stockholm said. Power was expected to be restored to most affected houses later Tuesday, a utility official said.

Traffic at the Leonardo da Vinci international airport in Rome was disrupted Tuesday by a four-hour strike by ground staff and a 24-hour strike by customs officials, airport sources said. (AFP)

Icelandair cabin staff began a three-day strike over wages Tuesday, effectively halting most international flights over the next three days, the airline said. (Reuters)

The Supreme Court of Romania ordered workers for the Bucharest subway Tuesday to suspend a strike for 40 days. (Reuters)

CIRAGAN PALACE HOTEL
SULTANAHMET, ISTANBUL

THE PALACE FOR
SUCCESSFUL BUSINESS
IN ISTANBUL

TEL: 00352 212 11 11 11 / 00352 212 11 11 11
FAX: 00352 212 11 11 11 / 00352 212 11 11 11
CIRAGAN PALACE HOTEL, SULTANAHMET, ISTANBUL

A SIMPLE CURE FOR THE FEAR OF FOREIGN PHONES.

To call, just dial the Access Number for the country you're visiting, and you'll reach an English-speaking Sprint Operator — at no extra charge. It's that easy.

COUNTRIES	ACCESS NUMBERS	COUNTRIES	ACCESS NUMBERS	COUNTRIES	ACCESS NUMBERS	COUNTRIES	ACCESS NUMBERS
American Samoa	632-1000	Cyprus	080-900-011	Indonesia	080-900-011	Malaysia	080-900-011
Antigua (landline)	868-366-4663	Czech Republic	0042-087-187	Iran	0092-087-187	Mexico	0052-087-187
Argentina	001-800-777-1111	Denmark	0045-087-187	Israel	00972-087-187	Nicaragua	00502-087-187
Australia	001-800-777-1111	Egypt	0020-087-187	Italy	0039-087-187	Peru	0051-087-187
Australia (mobile)	1-800-531-10	Finland	00358-087-187	Japan	0081-087-187	Philippines	0063-087-187
Austria	0043-087-187	France	0033-087-187	Korea	0082-087-187	Poland	0048-087-187
Bahamas	001-800-399-2111	Germany	0049-087-187	Laos	00856-087-187	Portugal	00351-087-187
Bahrain	00973-087-187	Greece	0030-087-187	Lebanon	00961-087-187	Romania	0040-087-187
Belgium	1-800-877-8000	Hong Kong	00852-087-187	Lithuania	00370-087-187	South Africa	0027-087-187
Bermuda	00800-1004	Hungary	0036-087-187	Maldives	00960-087-187	Spain	0034-087-187
Bolivia	1-800-423-0977	Iceland	00354-087-187	Moldova	00373-087-187	Sweden	0046-087-187
Brazil	0800-3333	India	0091-087-187	Monaco	00377-087-187	Switzerland	0041-087-187
British Virgin Islands	00800-8016	Indonesia	0062-087-187	Norway	0047-087-187	Taiwan	00886-087-187
Bulgaria	1-800-877-8000	Iran	0098-087-187	Pakistan	0092-087-187	Thailand	0066-087-187
Canada	001-800-877-8000	Israel	00972-087-187	Paraguay	00595-087-187	Turkey	0090-087-187
Chile	0064-087-187	Italy	0039-087-187	Peru	0051-087-187	U.S. Virgin Islands	00800-877-8000
China	0086-087-187	Japan	0081-087-187	Philippines	0063-087-187	U.S.	1-800-877-8000
Colombia	0057-087-187	Korea	0082-087-187	Poland	0048-087-187	United Kingdom	0044-087-187
Costa Rica	00506-087-187	Laos	00856-087-187	Portugal	00351-087-187	United States (toll-free)	1-800-877-8000
Croatia	00385-087-187	Lebanon	00961-087-187	Romania	0040-087-187	Venezuela	0058-087-187

Sprint.
To order a free FONCARD, CALL COLLECT TO THE U.S. 402-390-9083

THE AMERICAS

Senate Republicans Back Centerpiece of Welfare Reform

By Robert Pear
New York Times Service

WASHINGTON — Senate Republicans have embraced a central element of the House's welfare bill, deflating the hopes of Democrats who are seeking major changes to preserve federal guarantee of cash assistance for poor people.

The chairman of the Senate Finance Committee, Bob Packwood, said that he and other Senate Republicans supported a provision of the House bill that would replace the current program of payments to individuals with grants to states to use as they wished to assist low-income people.

"I basically like block grants," Mr. Packwood said after a Finance Committee hearing. "The time has come to let the states take a whirl at whether or not they can administer these programs better than we can if we give them flexibility."

That, he said, is also the view of other Republi-

can senators — an observation confirmed by several of them, including John H. Chafee of Rhode Island and Don Nickles of Oklahoma.

The change from guaranteed federal benefits to block grants to the states is at the heart of the sweeping welfare bill approved by the House on Friday. With his comments, Mr. Packwood appears to have increased the prospects for Senate approval of a bill to replace the nation's main cash assistance program.

The Senate has not even begun to define the contours of its bill, and there are sure to be many conflicts between the Senate and House versions. For example, there has been no indication that the Senate wants to establish a block grant for food assistance programs, as the House bill would.

The Republican senators said their support of block grants crystallized at a meeting with three Republican governors, Tommy G. Thompson of Wisconsin, John Engler of Michigan and Jim

Edgar of Illinois. Haley Barbour, chairman of the Republican National Committee, also attended the meeting.

Under current law, needy families with children are entitled to cash assistance. Under the bill approved by the House, there is no guarantee that children now entitled to cash assistance would continue to receive aid. Also, the block grants would not necessarily increase in hard times, when more people might apply for aid.

An entitlement is a legally enforceable claim upon the federal government. The House bill would eliminate the individual entitlement to cash assistance now guaranteed to more than 14 million Americans who are eligible for Aid to Families With Dependent Children.

Senator Daniel Patrick Moynihan of New York, the ranking Democrat on the Finance Committee, said the replacement of this entitlement program with block grants would be "one

of the most profound changes in the history of American social policy." He added that the battle on this issue was just beginning.

"I shall certainly try to fight it," he said of the change. "I hope the governors will understand what is being done to them."

He said he hoped the White House would join him in this battle to preserve the entitlement status of Aid to Families With Dependent Children, which dates to 1935.

Marian Wright Edelman, president of the Children's Defense Fund, a liberal research and advocacy group, called the move "a rewriting of American social policy."

Republicans agree. Mr. Packwood's remarks Monday are sure to disappoint liberal Democrats who had been counting on the Senate to reject the idea of block grants. But the governors contend that children will fare better when state officials can design local welfare programs to meet local needs, free of Washington's control.

POLITICAL NOTES

Making Merit Count in Federal Jobs

WASHINGTON — With big layoffs predicted for many U.S. agencies, Congress and the White House are considering whether — or, more likely how — to change the last-hired-first-fired policy.

During layoffs, federal employees with fewer than 15 years of service can be on shaky ground; those with fewer than five years on the job are most vulnerable when the cuts begin.

The administration would like to give greater weight to employee performance ratings. The Senate Governmental Affairs Committee may get the ball rolling Thursday when the General Accounting Office testifies on how its cutbacks will affect women and minorities. (WFP)

Getting a Grip on D.C. Government

WASHINGTON — Representative Thomas M. Davis Jr., Republican of Virginia, was planning Tuesday to introduce legislation that would transfer vast authority over the District of Columbia government to a new oversight board with the power to veto annual budgets proposed by city officials and develop spending and management plans of its own.

Despite district officials' pleas for a board with narrow powers, the bill would give the panel authority to reach deeply into the operations of city government. The proposal places blame for the city's near-insolvency squarely on local officials, implicitly rejecting Mayor Marion S. Barry Jr.'s contention that the problem stems from limits on the district's taxing power and insufficient federal aid.

The bill would establish a five-member, presidentially appointed board charged with creating a financially stable district government. (WFP)

Gramm Stalks Dole's Territory

NEW YORK — Senator Phil Gramm of Texas has carried his fledgling presidential campaign to New York City, saying he is optimistic about gathering support there even though virtually every Republican leader in New York State backs Senator Bob Dole.

Speaking to reporters Monday before a fund-raising reception at the Waldorf-Astoria Hotel, Mr. Gramm attacked Alfonse M. D'Amato, the state's Republican senator, as the driving force behind the support in New York for Mr. Dole, the Senate majority leader.

"I don't attribute this massive show of support to anyone other than Al D'Amato," Mr. Gramm said. "I think it basically shows that Al has been willing to get out and put the arm on people."

It will be difficult, if not impossible, for Mr. Gramm to get the necessary 1,250 signatures in each of the state's 31 congressional districts to be on the ballot. (NYT)

A Bigger Watchdog for Congress?

WASHINGTON — The Senate is debating a new twist on efforts to curb federal regulations: a proposal to give Congress a quick opportunity to review and possibly overturn new rules as soon as they are issued by government agencies.

Offered by Senate moderates as an alternative to a yearlong freeze on most new federal regulations, an idea approved by the House last month, the proposal could come to a vote this week. If enacted, the measure would considerably increase the influence that Congress exerts over the fine details of how the laws it passes are carried out by federal agencies.

But under the proposal before the Senate, hundreds or even thousands of federal regulations would routinely be referred to Congress before taking effect. (NYT)

Quote / Unquote

Senator Bob Packwood, Republican of Oregon and chairman of the Senate Finance Committee, on the idea of replacing the cash welfare program with lump-sum payments to the states: "It's been my experience in life, small things are better administered than big things, and it doesn't matter if it's government or industry." (AP)



Mr. Simpson and one of his lawyers, Robert Shapiro, listening to Mr. Kaelin on Tuesday.

Phone Call 'Upset' Simpson
Contact With Ex-Wife on Day of Murder Cited

The Associated Press

LOS ANGELES — O. J. Simpson spoke on the telephone with his former wife the day she was murdered, and a witness who was with Mr. Simpson during the call described him as upset, a prosecutor said in court records released Tuesday.

Deputy District Attorney Marcia Clark revealed earlier that cellular phone records indicate a call was made from Mr. Simpson's phone to Nicole Brown Simpson's house at 2:18 P.M. on June 12, while Mr. Simpson was at the Riviera Country Club. Mr. Simpson played golf and gin rummy there that day.

A woman at the country club will be called to testify about the four-minute phone call, Ms. Clark said, according to a transcript of the conversation with the judge at the bench.

"We have a witness who observed him on the cell phone angry, yelling," Ms. Clark told the judge and defense attorneys.

Ms. Clark said the witness, who was not identified, was unclear on the time she saw Mr. Simpson speaking on the phone, but phone records show that only one call was made that afternoon. All other calls were made at night, Ms. Clark said.

This was the first time the prosecution suggested that Mr. Simpson had any contact with his former wife on the day of her death other than an evening recital for Mr. Simpson's daughter, Sydney, Mr. Simpson

and his former wife left that event separately.

A defense attorney, Robert A. Shapiro, did not deny that Mr. Simpson spoke to his former wife, but suggested that he could have been speaking to her about ticket and seating arrangements for the recital.

In testimony Tuesday, a limousine driver said that he did not see Mr. Simpson's Ford Bronco parked outside Mr. Simpson's estate around the time prosecutors say Mr. Simpson was committing the murders 2 miles (3 kilometers) away.

Allan Park, a Town and Country limousine driver sent to take Mr. Simpson to the airport for a flight to Chicago, said he looked directly at the area where the white Ford Bronco was later found because he was trying to spot an address number painted on the curb.

Mr. Park testified at the preliminary hearing that he did not recall seeing the Bronco, but this was the first time he indicated that he specifically looked at the area where Mr. Simpson's attorneys have claimed the Bronco was parked all evening.

Earlier in Tuesday's court session, Ms. Clark pressed Brian (Kato) Kaelin, a Simpson houseguest at the time of the murders, about whether he stood to reap financial rewards.

She asked him how much money he had made since June 12 — \$60,000, Mr. Kaelin said — and whether he was writing a book. Mr. Kaelin said he was not at present but would rule it out.

Ms. Clark also pressed Mr. Kaelin about Mr. Simpson's relationship with his two children, who lived with his former wife.

During a conference at the bench, Ms. Clark revealed that Nicole Simpson's diary indicated that Mr. Simpson repeatedly failed to pick up his children for scheduled visits.

"There was at least every other week that he was missing his visits with the children, and that he would schedule things, schedule dinners to take them to and never show up, schedule weekends to have them and never show up, or bring them back earlier than scheduled," Ms. Clark said.

Judge Ito questioned whether Mr. Simpson's relationship with the children was relevant, adding, "I don't think there is any question that the defendant loves his children."

"Really?" Ms. Clark asked. "We don't see eye to eye on that one at all."

"Well, aren't we going far afield?" Judge Ito asked. "Loving the children is one thing. Killing the mom is something else."

"I don't think so," Ms. Clark said.

Mr. Kaelin was excused after his testimony Tuesday.

Rachel Ferrara, a friend of Mr. Kaelin's who was talking with him on the telephone the night of the slayings, was on the stand briefly after him. She corroborated his account of hearing bumps on his guest house wall at about 10:40 P.M. that night.

Uh, Stick 'Em Up? Rising Amateur Bank Robberies Lack Polish of Yore

By Dirk Johnson
New York Times Service

CHICAGO — One summer night here in 1934, the defiant John Dillinger watched his last picture show, "Manhattan Melodrama," before walking out of the Biograph Theater into a deadly hail of police bullets — an example of the perils of robbing banks for a living.

It remains a stacked-odds career, but bank robberies in Chicago have nonetheless been soaring lately, to the record-setting pace of 51 so far this year.

Around the United States, bank holdups have more than doubled in the past decade, to nearly 9,000, although they have dropped slightly since a peak in 1991, according to the Federal Bureau of Investigation.

The half-wit schemes and clumsy banditry that mark so many of these robberies, like one slapsack pair who pulled the hold-

up but forgot the loot, would embarrass a professional crook.

"These are amateurs, often middle-class people in a terrible financial fix, who see the bank as the quickest way to get money," said Jay Robert Nash, a Chicago crime historian and author. "The professional bank robber is a dying breed. It's just too risky. They'd rather steal gems, art work, something with better odds."

Michael Connelly, a Chicago police sergeant, speculated that the growing number of bank branches was providing new targets for robbers.

"A lot of these branches have only a few people working in them," said Mr. Connelly, "and often they have no armed security."

There are more than 53,000 bank branches in the United States, up from about 41,000 in 1984, according to the American Banking Association.

But plenty of big banks have also been targets, like the Baring Bank in the Loop

here, which was robbed on Tuesday by a man who slipped a note to a teller: "This is a robbery. I have a gun. Don't make me use it."

After the teller filled a bag with an undisclosed amount of cash, the robber walked out of the bank, hailed a cab and rode away.

"A lot of these robbers plan to do it just once," said Robert Long, an agent with the FBI in Chicago. "But if they get away with it, they usually want to do it again. They almost always get caught. And judges are sending them to jail."

Among the most daring of crimes, bank robbery has always held a certain fascination. In the 1930s, the heyday of spectacular robberies, many people struggling through the Depression saw banks as ruthless oppressors and often cheered the exploits of Dillinger, Bonnie Parker and Clyde Barrow, and Charles (Pretty Boy) Floyd, who often destroyed mort-

gage records while stealing from banks, in a gesture of solidarity with the people.

But criminal experts say modern-day robbers hardly fit the swashbuckling profile, if robbers ever did.

"Mostly, they're just mopes," said Mr. Long, who estimated that the typical bank robbery nets less than \$2,500 and that three in four robbers are ultimately caught. "And who was Dillinger? A guy with an eighth grade education who got shot to death."

In one recent case, Russell Nash, 22, told the authorities that he had robbed a bank in suburban Oak Park to get money to repay a college loan. Not only did he lack a getaway car, but also a get-to car. He took a bus to the bank robbery.

He was arrested moments afterward, holding a revolver that he said was broken and \$3,000.

John P. Hunter Sr., a businessman who lived in the prosperous northwestern Chicago suburb, and his son, John P. Hunter

Jr., who graduated from Loyola University with a degree in accounting, were a bit more professional.

They netted about \$400,000 in 37 bank robberies before being arrested in 1993, and convicted last year. At a court appearance next month, they each facing possible sentences of more than 300 years.

But most robbers, Mr. Long said, were "remarkable for their dim-wittedness."

In one case, a would-be robber walked into a bank holding a brick as a weapon. He was quickly arrested by security guards. In another case, a robber scheduled his job at a Loop bank, oblivious to the well-publicized visit of President George Bush only a half-block away. As he fled the bank, he ran straight into the swarms of the police on hand for the president.

"I guess when he was planning his robbery, he neglected to check the newspapers or the radio," Mr. Long said, "or he would

have surmised that this was not a good day for a bank robbery in the Loop."

And the two robbers who forgot their loot: After holding up a Milwaukee bank they switched to a second getaway car, leaving their money and guns behind. The guns, of course, were covered with fingerprints, and they were quickly caught.

Despite its flurry of robberies this year, Chicago scarcely ranks as the capital of bank holdups. Los Angeles leads the nation (about 2,000 banks were robbed there in its peak year of 1992) and bank robberies are higher in the West than in any other region. About 15 people a year are killed in bank robberies.

Nationally, bank robberies hovered around 2,000 annually in the 1970s, rose to about 3,000 a year in the early 1980s, then shot up to about 9,000 by the early 1990s. The 1991 record for bank robberies was 9,300. In 1993, the last full year for which records are available, there were about 8,800 bank robberies.

Away From Politics

• The post office delivered 85 percent of local mail on time during the winter, the best showing since the agency started measuring its performance five years ago. The Postal Service's performance standard calls for overnight delivery within varying distances of each major city. (AP)

• A judge has given South Carolina state doctors permission to examine Susan Smith and recommend within a month whether or not she is competent to stand trial for murder in the drowning deaths of her two sons in a lake. The trial is to start July 10; the prosecution is seeking the death penalty. (AP)

• The man who opened fire on the White House with a semiautomatic rifle in October decided to act after seeing visions of a mist hovering over the president's mansion, a psychiatrist told a federal court jury in Washington. Francisco Martin Duran, 26, is a paranoid schizophrenic who believed the mist would gain control over President Bill Clinton's thinking and lead him to do things that would cause worldwide devastation, the doctor said. (AP)

• Hours after Maryland's highest court allowed one of the nation's strictest smoking bans to take effect, the governor signed into a law a compromise bill that creates major exceptions, including allowing smoking in taverns, motels and hotels and most restaurants. (AP)

• The first woman pilot in the U.S. space program, Lieutenant Colonel Eileen Collins, canceled what was to have been a triumphant homecoming in Elmira, New York, after someone called the local newspaper and threatened to kill her. The anonymous caller gave no indication of a motive. (AP)

• Two teenage couples were charged in Bartow, Florida, with felony cruelty to animals and grand theft in the beating death of an ostrich. Police traced them through sneaker tracks. The youths allegedly beat the 10-month-old bird, valued at \$7,000, with a wooden tool handle at an ostrich farm. (AP)

• A parolee killer has been charged with murder in New York. The second charge filed against Reginald McFadden since the governor of Pennsylvania commuted his life sentence for a 1965 murder in July. He was also charged with the rape of a third New Yorker. The latest victim was found by a boy fishing in a pond. (NYT, AP)

Lawsuit Accuses Civil Rights Group of Sexual Discrimination

By Toni Locy
Washington Post Service

WASHINGTON — Two women employees of the NAACP have filed a class-action lawsuit against the civil rights organization, accusing it of perpetuating a pattern of sexual discrimination against women professional employees.

Stephanie Rones, 37, of the District of Columbia, and Barbara Coggins, 42, of Illinois, brought the action as an amended complaint to a lawsuit Ms. Rones originally filed in February in Superior Court. Earlier this month, the case was transferred to U.S. District Court in Washington.

The amended complaint alleges that the National Association for the Advancement of Colored People was run by a group of men, "a boy's club,"

whose members were typically paid as much as 50 percent more than women doing equivalent or greater amounts of work.

A string of legal actions have been taken by former women NAACP employees. Last year, disclosures about sexual misconduct led to the dismissal of the director, Benjamin F. Chavis Jr., who arranged to pay Mary E. Stausel, a former employee, \$32,400 in organization funds to settle a sex discrimination complaint. Mr.

Chavis also was accused of financial mismanagement.

According to the lawsuit, high-ranking men employees often referred to women as "bitches," "troublemakers" and "snitches" if they complained about their treatment.

"By joining forces, the two women hope to get the NAACP to focus attention on their long-standing grievances," according to a statement issued by their lawyer, David E. Blum. "Although they are hopeful that the new leadership at the NAACP

will address the gender issue, both women contend that nothing significant has yet been done to come to terms with the brain drain and gross misuse of women talent at the NAACP."

The suit names as defendants the organization, its former

chairman of the board, William Gibson; the acting executive director, Earl Shinnoster, and the acting deputy director, Fred Rasheed. It also names Mr. Chavis and the former deputy director, Lewis Myers.

Judge Stanley S. Harris of

U.S. District Court, who has been assigned the case, will decide later whether to allow it to proceed as a class action.

Ms. Rones, a former assistant general counsel for the NAACP, has accused Mr. Myers of pressuring her for sex.

MANAGING INNOVATION

means maximizing
Technological change
Executive leadership
New management systems

A one day intensive seminar for senior management, conducted in English by Professor Michael Tushman of INSEAD & COLUMBIA UNIVERSITY GRADUATE SCHOOL OF BUSINESS

Paris: May 5, 1995

Contact: The American University of Paris
Tel: (33-1) 47.88.44.99 Fax: (33-1) 47.80.45.64

UNIVERSITY DEGREE

BACHELOR'S • MASTER'S • DOCTORATE
For Work, Life and Academic Experience
Through Convenient Home Study

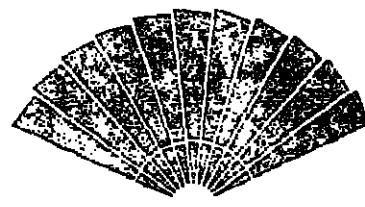
(310) 471-0306 ext. 23
Fax: (310) 471-6455

Free or refund detailed material for
FREE EVALUATION

Pacific Western University
1210 Avenue Street, Dept. 20
Honolulu, HI 96814

Where to find the World's
Finest Hotels and Resorts.

The Oriental, Bangkok
Mandarin Oriental, Hong Kong
Mandarin Oriental, Jakarta
The Ritz, London
Mandarin Oriental, Macau
Mandarin Oriental, Manila
Mandarin Oriental, San Francisco
The Oriental, Singapore
Baan Taling Ngam, Koh Samui, Thailand
Phuket Yacht Club, Thailand
Hotel Bela Vista, Macau
Mandarin Oriental, Mexico City (1995)
The Majapahit, Surabaya (1995)
Kahala Mandarin Oriental, Hawaii (1996)



MANDARIN ORIENTAL

THE HOTEL GROUP

UK 0800 96 26 67 (toll free)
France 0590 76 97 (toll free) • Germany 0130 81 40 67 (toll free) • Spain 900 90 32 67 (toll free)
The leading Hotels of the World. Uffell International, or your travel professional.

BRIEFLY ASIA



١٥٥١

EUROPE

BRIEFLY EUROPE

NATO Chief Is Ill and Delays Trip

BRUSSELS — Willy Claes, the beleaguered chief of NATO, on Tuesday postponed a visit to Turkey and Greece because he was stricken with influenza, sources at the alliance said.

The sources said that Mr. Claes had made the decision on the advice of his doctors and that the postponement was not linked to speculation that he would soon have to resign his NATO post over his role in a murky corruption scandal in Belgium. Mr. Claes, 56, was due to fly to Turkey on Wednesday and visit Greece on Thursday and Friday.

Switzerland, meanwhile, has agreed to lift banking secrecy to allow Belgian investigators to check accounts linked to the scandal. (Reuters)

Belgium Seeks to Be EU-India Link

NEW DELHI — Belgium, eager to cash in on expanding business opportunities in India, offered Tuesday to serve as an intermediary between the European Union and New Delhi as they thrash out trade issues.

Belgium's trade minister, Robert Urbain, said Brussels was well placed geographically and politically to serve as a conduit for India's concerns, including Western attempts to curb child labor.

"Almost all the delegations in contact with the European Union have bilateral contacts with us," he said at a news conference. "We can play an intermediary role." (Reuters)

Britain May Join Weapons Agency

LONDON — France and Germany have offered to allow Britain to join a proposed French-German arms procurement agency as a founding member, the Financial Times reported Tuesday.

If it is permitted to join as an equal partner, the newspaper said, Britain has offered to put the management of billions of pounds' worth of weapons contracts under the agency's control. At a meeting of European defense ministers in Paris on Thursday, François Léotard of France and Volker Rühe of Germany said their countries intended to press ahead with plans for a joint procurement agency. In a shift from their previous position, however, they invited Britain to join as a founding member, the paper said. (AFP)

Portugal Assailed by Its President

LISBON — President Mário Soares of Portugal accused his center-right government Tuesday of failing to present a policy on the European Union.

"Until now the government has not announced its plans. Until now we have not been given an indication of the great causes and options at stake, and what the position of the government is," Mr. Soares said at a conference on the EU.

"I think that I should not be the first person to speak on these issues," he said, adding that the government of Prime Minister Aníbal Cavaco Silva should be taking the lead in presenting policies on Europe. (Reuters)

Calendar

European Union events scheduled for Wednesday:

BRUSSELS: The European Commission meets to discuss the Union's relations with Africa as well as the annual report on fraud.

BRUSSELS: Sir Leon Brittan, the trade commissioner, and Christos Papoutsis, the energy and small-business commissioner, meet the U.S. undersecretary of state for arms control and international security affairs, Lynn E. Davis.

BRUSSELS: Padraig Flynn, commissioner for employment, and Monika Wolf-Mathies, commissioner for regional policy, meet Prime Minister John Bruton of Ireland. Sources: Agence Europe, AFP.

Turkey Plays Down Criticism of Assault
Army Controls a Kurd Area

Compiled by the Staff from Dispatches

ANKARA — Turkey on Tuesday sought to minimize concerns from the United States and Germany over the Turkish assault on Kurdish rebel bases in northern Iraq.

Also Tuesday, Turkish army officials said they had achieved their initial objectives against the separatist Kurds and controlled a Kurdish region.

A Foreign Ministry spokesman, Ferhat Ataman, said of the growing U.S. unease, "We don't see it as any different from the initial reaction in which they have said they would like the operation to be of limited duration and scope."

The U.S. secretary of state, Warren M. Christopher, voiced concern Monday against an extended incursion and about reported attacks on civilians.

"I sent a message to both the prime minister and the foreign minister telling them that we were concerned about the passage of time, concerned about reports we have had with respect to human rights violations," Mr. Christopher told reporters.

Foreign Minister Klaus Kinkel of Germany and other European Union ministers had criticized the Turkish action from the start. On Monday, Bonn said it had temporarily frozen grants it had promised to give Turkey for the purchase of German frigates.

Toll Rises to 36
In Turkish Mine

Reuters

ANKARA — The death toll from a coal mine blast in Turkey rose to 36 on Tuesday, the Anatolian News Agency said.

The agency said 21 bodies were brought to the surface Tuesday from the mine in Sogun, a town about 160 kilometers (100 miles) east of Ankara.

An explosion, perhaps caused by methane gas, caused the mine to cave in Sunday. One miner was still missing and 10 workers were injured. (AFP, Reuters)

Bosnian Foes Battle On, Ignoring International Pleas

Reuters

SARAJEVO, Bosnia-Herzegovina — The Bosnian Army and Serbian forces battled on through wintry weather Tuesday, ignoring international and United Nations pleas for a halt in the combat.

"It is our understanding both parties continue to opt for the military option," said a UN spokesman, Alexander Ivanko.

He said in Sarajevo that both sides were refusing to meet and were setting numerous conditions for attending talks with the United Nations on rescuing a four-month-old cease-fire that was shattered by a Bosnian Army offensive last week.

The United Nations says that the eight-day offensive has won the Bosnian Army ground in the Majevica Hills to the east of Tuzla and on Vlasica Mountain near the central Bosnian town of Travnik, a government stronghold.

Swedish peacekeepers reported artillery duels between Bosnian Serbian troops and government forces Tuesday in the Majevica region, as both sides battled across snowy ground to secure control of a key communication facility.

The Muslim-led Bosnian Army says that government troops have surrounded the Stolica relay station, which controls telephone traffic and television signals across much of the north of the country, and that its hopes to persuade the Bosnian Serbian garrison at the station to surrender it intact.

The Bosnian Serbian news agency, SRNA, said that Serbian soldiers had strengthened their positions in the Majevica area and that telephone and television links through Stolica had been repaired.

Fighting also continued on the Vlasica Plateau, the United Nations said, although restrictions on

the movement of peacekeepers limited their ability to report on battlefield gains and losses, UN officials added.

International calls for a halt to the fighting have gone unheeded.

The five-nation "Contact Group," struggling to find a diplomatic solution to the nearly three-year Bosnian conflict, voiced concern at the deteriorating situation after a meeting in London on Monday.

Officials from Britain, France, Germany, Russia and the United States agreed to keep up efforts to bring the warring parties to the negotiating table.

Shrugging off pleas to order a halt to the fighting, the Bosnian president, Alija Izetbegovic, said Monday that Belgrade must recognize his country and that the Bosnian Serbs must accept the Contact Group's peace plan before peace talks can be restarted.

His government contends that it must fight to regain some of the 70 percent of Bosnia held by rebel Serbs because the international community will not force them to surrender territory.

The Bosnian Serbs have refused to discuss the Contact Group's peace plan, under which they stand to lose around a third of the territory they now hold. The Serbs made up about 30 percent of Bosnia's prewar population.

The Contact Group has been pursuing a two-pronged policy to end the war, trying to persuade the Bosnian Serbs to accept the peace plan and encouraging rump Yugoslavia to recognize the independence of Bosnia and Croatia in exchange for an end to international sanctions.

Russia has been trying to speed up the lifting of sanctions.

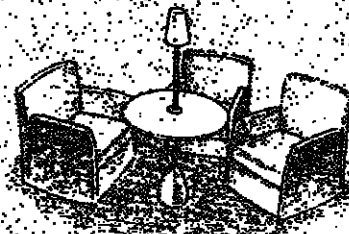


Bosnian Serbs helping a comrade wounded in shelling Tuesday on Mount Majevica.

AIR FRANCE

L'ESPACE EUROPE

Sometimes you have to wait for your flight, even before you check in or board the plane. No one likes to waste time, so we have rearranged our lounges to make them more businessman-friendly. Now, whether you travel L'Espace Europe or Tempo Challenge, if you have some last minute business before you leave, there are Air France lounges with telephones and fax machines. And if you just want to relax while waiting for your flight, there are recliner chairs and a bar. Businessmen are always busy so we'll never leave you just sitting around twiddling your thumbs.



THE RIGHT TO ARRIVE EARLY

YOU WON'T
GET BORED
WHILE
WAITING
TO BOARD.

AIR FRANCE INTRODUCES PASSENGER RIGHTS

1500 ميلادي

INTERNATIONAL

Algeria Newspapers Stage Joint Protest

Killings 'Will Not Silence Us,' A Special Edition Declares

The Associated Press
ALGIERS — Protesters at the assassinations of 30 journalists by fundamentalists, 16 national newspapers published a joint edition Tuesday that declared, "You will not silence us!"

The paper, which reserved a page for each of the dailies, was titled *El Moudjahid*, after the newspaper whose chief editor was shot and killed Monday in an ambush in an eastern Algerian suburb.

No one took immediate responsibility for the slaying of

Mohammed Abderrahmani, but suspicion fell on Muslim militants, who have targeted reporters, intellectuals and foreigners as well as officials and security forces.

More than 30,000 people have died in the 3-year-old insurgency that began when the military-backed government canceled January 1992 elections the Islamic Salvation Front was expected to win.

"Terrorism will not make us bend," an editorial in *El Moudjahid* vowed.

"Algerian journalists today are faced with a terrible challenge: Give in or resist," the head of *El Watan*, Omar Belhouche, said.

Meanwhile, an Arabic-language newspaper distributed in Western capitals reported that the two top leaders of the Islamic Front had been moved back from prison to house arrest.

Abassi Madani and Ali Belhadj, sentenced in June 1991 to 12-year prison terms for anti-government activity, were placed in separate residences, *Al Hayat* reported without citing its sources.

Mr. Madani was placed in a residence in Douera, 15 kilometers (9 miles) southwest of Algiers, the paper said, the same place former President Ahmed Ben Bella was lodged after a 1965 military coup.

Mr. Belhadj was moved to a residence in Tipaza, a coastal town 60 kilometers west of the capital, *Al Hayat* said.

Sullied Reservoir Cuts Algiers Flow

Reuters
TUNIS — Algerian authorities cut off supplies of water to the capital, Algiers, and surrounding areas Tuesday after a major reservoir became contaminated, the official Algerian press agency, AFS, reported.

The agency quoted the Health and Population Ministry as saying Kaddara reservoir had been contaminated by accidental "leakages of hydrocarbons." It did not say whether the hydrocarbons were oil or gas.

The Algerian domestic water utility, in a radio message, called on the inhabitants of Cheraga, Douera, Khraicia and Ain Allah districts not to use their water supplies.

René Allio, Filmmaker And Painter, Dies at 71

The Associated Press
PARIS — René Allio, 71, a painter, decorator and filmmaker whose movies reflected his kinship with ordinary folk, died Monday.

Mr. Allio had been suffering from a "long illness," the term in France for cancer, according to the Society of Film Directors.

Mr. Allio, who was born in Marseille in 1924, spent years as a painter, decorator and theater director before trying his hand at filmmaking. Movies, he once said, "are paintings that move."

He is best noted for his first full-length film, "La Vieille Dame Indigne" (The Indignant Old Woman), which was made in 1964 from a short story by Bertold Brecht.

His movies mainly portrayed antiheroes, ordinary people seeking to escape their destinies.

Mr. Allio helped design theaters in the Paris region, and with established architects, helped conceive the interior of the Natural History Museum's new zoology gallery, which opened last year in Paris.

Hanns-Joachim Friedrichs, 68, a German TV Anchor

HAMBURG (AP) — Hanns-Joachim Friedrichs, 68, a German foreign correspondent and television anchor, died of cancer on Tuesday, his former employer said.

Mr. Friedrichs anchored ARD's late evening news show, *Tageszeiten*, from 1985 to 1991 and helped transform German television news from the static reading of scripts to the American-style anchorman system, with live correspondent reports and a more engaged style of reading the news.

PORK: The Military's Goodie Bag

Continued from Page 1
curriculum at the facility." In a similar, if more traditional vein, Bob Dole, the Kansas Republican who was then the Senate minority leader, arranged for an earmark of \$11 million for the U.S. Army to purchase more executive jets from a Kansas corporation that produces Lear jets.

"It's like a disease," Mr. McCain said. "It's never static. It gets worse or you kill it."

As budget rules have limited small, nonmilitary spending bills, the annual defense appropriation bill increasingly has been viewed as a bank of last resort for lawmakers' pet projects.

The Bureau of Land Management, for example, used to round up the wild horses that strayed onto the White Sands

missile range. But the agency discontinued the program last year because it was too expensive, said a spokesman for Senator Pete V. Domenici, Republican of New Mexico.

Mr. Domenici, who chairs the Senate Budget Committee, and Representative Joe Sreen, Republican of New Mexico and a member of the House Appropriations Committee, collaborated to get the \$1.5 million put into last year's military bill to pick up the slack, the spokesman said.

And Mr. Domenici arranged to have \$20 million added to the military bill for an additional neutron accelerator project at the Los Alamos Laboratory in his state, after money appropriated in the energy spending bill ran out last year.

"There was no other place to go," a congressional aide said.

Mandela Sends Message With Wife's Dismissal

Agence France-Press
JOHANNESBURG — President Nelson Mandela's dismissal of his firebrand wife, Winnie, from her government post was a belated but strong warning that he will not tolerate opposition to his rule, commentators in South Africa said Tuesday.

"Mrs Mandela's departure is the first step in the shaking of the ANC's unwieldy base," *The Star* newspaper commented, and has cleared the way to "roll back the tide" of lawlessness in the country.

Government sources told journalists in Cape Town that the president had felt under-

mined by Mrs. Mandela's persistent challenges to his government and that he had found it difficult to deal with indiscipline in the country while a senior official openly defied him.

Mrs. Mandela was dismissed Monday after a string of events since January that infuriated her estranged husband, including lambasting his government in public and visiting West Africa after being ordered by Mr. Mandela to stay at home to attend an important African National Congress meeting.

The dismissal of the deputy minister of arts, culture, science and technology, Business Day newspaper said, sent an "important message" to discourage other ministers from trying to follow her example.

Business Day said the president's "courageous" move would have difficult consequences for the government, the country and the ruling ANC.

Israeli Leader to Visit Bonn

Reuters
BONN — President Ezer Weizman of Israel will visit Germany in September, officials said Tuesday.



Three sons of Mohammed Abderrahmani, the slain *El Moudjahid* editor, carrying his portrait at his funeral Tuesday.

OIL: U.S. Calls for UN Embargo on Libya Are Rejected by Industry Leaders

Continued from Page 1

EU, have often complained of the financial impact of the sanctions already imposed on Libya on all North African economies.

"They are close neighbors to us to whom we have to listen," the official said. "I think on this one there are widely differing interests between us and the United States that would make it difficult to go along."

In addition, Arab diplomats said, some key allies of the United States in the Arab world, including Egypt, Kuwait and Saudi Arabia, are likely to stand firmly against the notion of further expanding oil embargoes in the Middle East.

"To gather all these forces behind an embargo is a formidable undertaking that is not an easy feat today," Nordin Ait-

Laoussine, Algeria's former oil minister who is an international consultant based in Geneva, said Tuesday.

"There are already nagging questions about the wisdom of continuing with oil export sanctions imposed on Iraq since 1990 and a controversy over banning oil deals with Iran," Mr. Ait-Laoussine said.

"In hindsight, I'd say the success of United States to line up that much international support to ban Iraqi oil from world markets more than four years ago was something of a unique circumstance."

At the moment, UN sanctions in force ban civilian flights to and from Libya, forcing travelers to drive hundreds of miles to leave by land borders with Egypt or Tunisia. The country is also forbidden from acquiring a range of machinery and

technologies, though it can sell its oil to Europe.

But international oil companies are continuing to make deals. A consortium of European companies made up of Repsol of Spain, Total of France and OMV of Austria signed a \$1 billion deal to develop the Muzuk oil field in southwestern Libya in October 1994. It would eventually produce 200,000 barrels a day. But such a move could only take place with the sanction of countries in which the companies are based.

"I think there will be fierce resistance from Mediterranean companies to any new embargoes on oil on Libya or anyone else," said Christian Weyer, a multinational banker who specializes in funding oil deals in Geneva.

UN: As Corruption Cop Walks New Beat, Politicians Track His Every Move

Continued from Page 1

ditionally support the United Nations are drumming their fingers. In a March 21 speech, Lee H. Hamilton of Indiana pointed to the lack of reports from Mr. Paschke as proof that another round of UN management reforms had failed.

But Mr. Paschke said his pace is deliberate.

"I didn't want to fall prey to the lure of doing something spectacular at the beginning," he said. "The work of this office should not be to go for the big kill."

"It's wrong to perceive of us as the 'gothas' outfit that only acts when some kind of problem arises," he added.

Instead, he said, he wants to put UN employees on notice that one of his auditors could drop in on them at any time, to establish a "constant deterrent" that will have a "disciplining effect" throughout the system.

"I need a little time," he said.

Member governments were so edgy about creating Mr. Paschke's job that they refused to call him an inspector, giving him instead the title of undersecretary-general for internal oversight services. When he took over, Mr. Paschke said, he discovered UN offices were audited in rotation, each one only about once every six years.

Now he is deploying his inspectors in an

unpredictable pattern to add an element of surprise. He posted permanent auditors in the big UN peacekeeping missions like Bosnia and Haiti. On Feb. 28 he issued guidelines ordering department heads to meet fixed deadlines for complying with his auditors' recommendations. In the past internal audits were routinely filed and forgotten.

Mr. Paschke has a staff of about 100 — not nearly enough, he says — to monitor about 15,000 UN personnel worldwide. He wants at least a 25 percent increase by 1997. He could get caught in a stalemate: He cannot get more staff if Washington does not pay its UN bills, but Congress wants to hold up payments because he does not have enough staff.

What he needs most, the German said, is trained investigators to handle financial detective work. As a start, the United Nations sent a group of auditors to a course at the Federal Law Enforcement Training Center in Georgia. But, he said, "There is no investigations culture at the United Nations. I have to create it."

Republican lawmakers want to be sure the United States will know when Mr. Paschke uncovers wasteful practices. But he has said only that he will decide when one of his reports is significant enough for "the protection of UN assets" to merit

publication. Under the rules written by the General Assembly, Mr. Paschke sends his reports first to Secretary-General Boutros Boutros Ghali, not directly to governments. But the secretary-general is not allowed to alter or suppress the findings.

Mr. Paschke's team is working on reports on management confusion in the Human Rights Center in Geneva and looking into charges raised by a former U.S. ambassador, Frank Ruddy, about inefficiencies in the peacekeeping mission in Western Sahara.

Reports are "something on which the U.S. Mission sometimes shows an impatience I really don't understand," Mr. Paschke said. "If they want me to do work that is professionally reliable, I can't do it in a superficial way."

Another controversial point is the protection he gives whistle-blowers who provide tips. He set up confidential fax and phone lines, but he openly discourages anonymous complaints. This stems in part from his experience as the chief administrator of the German foreign service during the traumatic melding of Eastern and Western ministries that had previously been adversaries.

"Where I come from, anonymous accusations are considered irresponsible," he said.

BANK: Mitsubishi and Bank of Tokyo to Combine Forces in 'Superbank'

Continued from Page 1

sessions, and we exchanged opinions and found we had sympathies with one another," said Tsuneo Wakai, president of Mitsubishi Bank. "I found that Bank of Tokyo employees shared many things in common with our bank — but Bank of Tokyo people are more sophisticated than Mitsubishi's."

Although the executives declined to reveal which side initiated the deal, they suggested that they both endorsed the idea from the start. "I had come to think that a

new image of the bank was necessary," said Tasuku Takagaki, president of the Bank of Tokyo. "When I was wondering what to do, in the chats with Mr. Wakai, I came to think that if we could work together, we could make an interesting bank."

Japan's Ministry of Finance and Fair Trade Commission both appeared to welcome the news, suggesting that they would not block the merger, which the two banks said they hoped to complete before April 1996. The Finance Ministry has recently endorsed so-called "rescue" mergers that

would bring together a strong institution with one of the many weaker banks suffering from a heavy burden of bad debt.

Bad real estate loans have plagued the banking industry in Japan ever since the collapse of the bubble economy depressed prices and made it impossible for many corporations to repay their loans for real-estate projects. Analysts have said that problem loans in the sector — on which interest has not been paid for six months — amount to more than 13 trillion yen, or nearly \$150 billion.

Mr. Saro-Wiwa, who has been held in military jails since his arrest and deprived of visits for most of that time, is being tried for the murders before a military-run tribunal in Port Harcourt.

James Ron, a Human Rights Watch researcher who spent three weeks investigating military abuses, said that after the killings of four conservative Ogoni leaders for which Mr. Saro-Wiwa was accused, "soldiers moved in and just began shooting people in their villages, burning their homes and arresting young Ogoni men en masse."

"When the government began its attacks, it looked at first as if they were looking for the killers, but they conducted themselves as if they were leading a punitive expedition," Mr. Ron said. "If some people were interrogated, many of the detainees were simply mistreated."

"Young Ogoni men were flogged twice a day, and there was an effort by the soldiers to extract as much money from the detainees as possible. People were told that unless their families came up with large amounts of money they would not be released."

Mr. Ron, who was allowed to enter Ogoniland for one day with a military escort, said he and another colleague had only

been able to interview many of the victims of army attacks in secret after they were brought out of their homeland by trusted messengers.

Since the start of the attacks on the Ogoni, independent access to their villages has been effectively closed to outsiders by Nigerian security forces.

Human Rights Watch was allowed to tour the region with military escort, but during a three-week investigation was able to arrange clandestine meetings with several Ogoni victims, as well as with four soldiers who separately gave their accounts of army-led attacks on Ogoni villages.

Military officials and Shell managers both warned of "trouble" should foreign reporters seek to enter Ogoni areas.

Nigeria has increasingly become the focus of international human rights critics in recent weeks, who have reproached General Abacha's 18-month-old government with wave after wave of arrests of political opponents, union leaders, and, most recently, one of the country's former presidents, Olusegun Obasanjo. In 1979, he became the first Nigerian leader since independence in 1960 to voluntarily surrender power after democratic elections.

Army Talks Tough About East Timor

Indonesia General Vows to Act On Unrest as UN Session Nears

Agence France-Press

JAKARTA — The Indonesian Army has vowed to take tough action to stamp out any attempt to undermine stability before new talks on the disputed territory of East Timor, the Antara press agency reported Tuesday.

"I firmly state again that security authorities in East Timor will act firmly against those who are trying to create unrest," Major General Andang Ruchiatna told troops in the East Timor capital of Dili.

General Ruchiatna is chief of the Udayana Military Command, based in Bali, which covers the troubled former Portuguese colony that was annexed by Indonesia in 1976.

He said security would be stepped up before United Nations talks on East Timor that are to be held in Salzburg, Austria, on April 24.

"We must be alert to any irresponsible persons trying to create situations to influence and attract the attention of the international community," the report quoted him as saying.

The so-called All-Inclusive Intra-East Timorese Dialogue is to include representatives of exiled East Timorese community groups as well as those resident in Indonesia and the disputed enclave.

The United Nations also has organized a meeting among Indonesia, Portugal and the UN secretary-general in New York on May 19.

The talks are part of an attempt by the United Nations, which still recognizes Portugal as the legal administrator, to find a permanent solution to East Timor's status.

A Western observer said General Ruchiatna's comments showed that the Indonesian military believed unrest could be put down with a military rather than a political approach.

"I think the watchwords in the coming months will be discipline, control and closer supervision," the observer said.

Sources say the East Timorese clandestine network sees the two sets of talks as opportunities for protests.

Reports from East Timor say late-night harassment by gangs, which are widely believed to be organized by the government's

internal intelligence body, has stopped since the territory was put under greater central military control. The gangs' activities were highlighted after the killing of six civilians.

Antara also said a member of Indonesia's National Human Rights Commission had appealed to the government to follow up its findings on the killing of the six civilians in an East Timor village on Jan. 12.

The commission contradicted the military by saying the six people killed in a village in the district of Liquiza near Dili were noncombatant civilians who were intimidated and tortured before being killed.

According to reports, the Human Rights Commission's full findings are expected to say there is strong evidence to suggest the six were lined up by a ditch and summarily executed.

While a full military report is expected next month, the army, in its preliminary findings, already has conceded that there were some violations of procedure.

Antara also said a member of Indonesia's National Human Rights Commission had appealed to the government to follow up its findings on the killing of the six civilians in an East Timor village on Jan. 12.

The commission contradicted the military by saying the six people killed in a village in the district of Liquiza near Dili were noncombatant civilians who were intimidated and tortured before being killed.

According to reports, the Human Rights Commission's full findings are expected to say there is strong evidence to suggest the six were lined up by a ditch and summarily executed.

While a full military report is expected next month, the army, in its preliminary findings, already has conceded that there were some violations of procedure.

Antara also said a member of Indonesia's National Human Rights Commission had appealed to the government to follow up its findings on the killing of the six civilians in an East Timor village on Jan. 12.

The commission contradicted the military by saying the six people killed in a village in the district of Liquiza near Dili were noncombatant civilians who were intimidated and tortured before being killed.

According to reports, the Human Rights Commission's full findings are expected to say there is strong evidence to suggest the six were lined up by a ditch and summarily executed.

While a full military report is expected next month, the army, in its preliminary findings, already has conceded that there were some violations of procedure.

Antara also said a member of Indonesia's National Human Rights Commission had appealed to the government to follow up its findings on the killing of the six civilians in an East Timor village on Jan. 12.

The commission contradicted the military by saying the six people killed in a village in the district of Liquiza near Dili were noncombatant civilians who were intimidated and tortured before being killed.

According to reports, the Human Rights Commission's full findings are expected to say there is strong evidence to suggest the six were lined up by a ditch and summarily executed.

While a full military report is expected next month, the army, in its preliminary findings, already has conceded that there were some violations of procedure.

Antara also said a member of Indonesia's National Human Rights Commission had appealed to the government to follow up its findings on the killing of the six civilians in an East Timor village on Jan. 12.

The commission contradicted the military by saying the six people killed in a village in the district of Liquiza near Dili were noncombatant civilians who were intimidated and tortured before being killed.

According to reports, the Human Rights Commission's full findings are expected to say there is strong evidence to suggest the six were lined up by a ditch and summarily executed.

While a full military report is expected next month, the army, in its preliminary findings, already has conceded that there were some violations of procedure.

Antara also said a member of Indonesia's National Human Rights Commission had appealed to the government to follow up its findings on the killing of the six civilians in an East Timor village on Jan. 12.

The commission contradicted the military by saying the six people killed in a village in the district of Liquiza near Dili were noncombatant civilians who were intimidated and tortured before being killed.

According to reports, the Human Rights Commission's full findings are expected to say there is strong evidence to suggest the six were lined up by a ditch and summarily executed.

While a full military report is expected next month, the army, in its preliminary findings, already has conceded that there were some violations of procedure.

Antara also said a member of Indonesia's National Human Rights Commission had appealed to the government to follow up its findings on the killing of the six civilians in an East Timor village on Jan. 12.

The commission contradicted the military by saying the six people killed in a village in the district of Liquiza near Dili were noncombatant civilians who were intimidated and tortured before being killed.

According to reports, the Human Rights Commission's full findings are expected to say there is strong evidence to suggest the six were lined up by a ditch and summarily executed.

While a full military report is expected next month, the army, in its preliminary findings, already has conceded that there were some violations of procedure.

Antara also said a member of Indonesia's National Human Rights Commission had appealed to the government to follow up its findings on the killing of the six civilians in an East Timor village on Jan. 12.

The commission contradicted the military by saying the six people killed in a village in the district of Liquiza near Dili were noncombatant civilians who were intimidated and tortured before being killed.

According to reports, the Human Rights Commission's full findings are expected to say there is strong evidence to suggest the six were lined up by a ditch and summarily executed.

While a full military report is expected next month, the army, in its preliminary findings, already has conceded that there were some violations of procedure.

Antara also said a member of Indonesia's National Human Rights Commission had appealed to the government to follow up its findings on the killing of the six civilians in an East Timor village on Jan. 12.

The commission contradicted the military by saying the six people killed in a village in the district of Liquiza near Dili were noncombatant civilians who were intimidated and tortured before being killed.

According to reports, the Human Rights Commission's full findings are expected to say there is strong evidence to suggest the six were lined up by a ditch and summarily executed.

While a full military report is expected next month, the army, in its preliminary findings, already has conceded that there were some violations of procedure.

Antara also said a member of Indonesia's National Human Rights Commission had appealed to the government to follow up its findings on the killing of the six civilians in an East Timor village on Jan. 12.

INTERNATIONAL

Europeans
In Burundi
Flee on Jet
From Paris

REUTERS
BUJUMBURA, Burundi — A French jet that flew into Burundi early Tuesday carrying a French minister on a peace mission left later in the day carrying about 200 Europeans.

The French cooperation and development minister, Bernard Debré, arriving in the central African country for the second time in five days, said the international community might intervene if the violence there worsened. But he ruled out a unilateral mission by French troops similar to one in Rwanda last year.

Hutu leaders, including government officials, have spoken in favor of involving the international community, but Tutsi radicals have warned that any foreign force would meet resistance.

Hutu-Tutsi violence in Rwanda set off a genocide last year that killed up to a million people in two months.

There were few public tears or emotional scenes in Bujumbura's airport as wives and children said farewell to relatives and boarded an Air France Boeing 747 sent by the French government, leaving a city racked by ethnic violence.

Violence between majority Hutu and minority Tutsi has killed hundreds in the last week and threatens to rip the country apart, as it did neighboring Rwanda last year.

Officials at the French Embassy refused to describe the Tuesday flight as an evacuation, saying that 160 French citizens left at French expense for early Easter holidays because of security worries.

The U.S. Embassy said 15 relatives of officials would fly out Wednesday, and the ambas-



Frenchman holding his adopted son at the airport Tuesday.

sador advised other Americans to leave. The Foreign Ministry in Bonn also advised German women and children to leave.

An estimated 50,000 Burundians, mainly Hutu, have already fled, many of them on foot to neighboring Zaire, and whole areas of the capital are desolate.

"I am leaving for my holidays a little bit early," a French teacher who refused to be identified said before boarding the flight to France. "I shall be back as planned on April 14."

She admitted there was some tension among those leaving at what the future might bring, but added, "We all have hope."

About 40 other Europeans also used the flight to escape the capital — now calm after a weekend of killing, grenade blasts, gunfire and what government officials have described as ethnic cleansing by Hutu militias of mixed neighborhoods in the city.

Prime Minister Antoine Nduwayo said he would set up ethnic ghettos to separate the two communities, but United Nations officials expressed concerns that the move could lead to ethnic hatred in the long term.

Three Belgians, including a 4-year-old girl, were killed in an ambush by Hutu gunmen near Bujumbura on March 19.

French Rightists Now Aim Fire at Each Other

By Joseph Fitchett
International Herald Tribune

PARIS — A tilt to the right among French voters has turned the presidential election into a personal match between two conservatives — Mayor Jacques Chirac of Paris and Prime Minister Edouard Balladur — and has prompted unions to strike in an effort to win wage increases before a rightist victory.

France faces transportation problems this week with walkouts in the domestic airline, the railroads and the Paris transport system.

Air Inter said it was cutting half its flights Tuesday and Wednesday. Train and subway strikes will cause traffic chaos Thursday in Paris. And postal strikes have blocked mail in some provinces.

The unions hope to wring concessions during the campaign and, more important, to forestall cost-cutting in state-run services once France has a conservative president.

They are pressing their demands even though talk of such cutbacks is conspicuously absent from the campaign oratory of both Mr. Chirac and Mr. Balladur, who have concentrated on promising tax cuts and

more spending to help the homeless.

Unemployment, which has been at the center of French debates about economic policy, has suddenly been shouldered aside by demands for wage increases now that France is showing signs of economic recovery.

Both conservative candidates now back the idea that more consumer spending has economic advantages that outweigh the risk of inflation.

If fulfilled, these campaign promises for tax cuts and increased spending would breach the austerity policies that governments in Paris have pursued for more than a decade in an effort to make France more competitive internationally.

For now, French conservatives are more worried about the rancorous feud between Mr. Chirac and Mr. Balladur and the risk that post-electoral bitterness will erode the next president's authority.

The combat has intensified with new polls indicating that Mr. Balladur and Mr. Chirac may face each other in the second round of the presidential election May 7.

The polls show that Mr. Balladur may have halted his slide in popularity enough to edge out the Socialist candidate, Li-

nel Jospin, for second place in the first round of voting on April 23 and slip into the runoff.

Pollsters caution against giving too much credence to the numbers since nearly half of the voters are undecided. In addition, there is puzzlement about the weak showing of French leftists.

Conservative candidates, including the two nationalists, Jean-Marie Le Pen and Philippe de Villiers, together command the support of roughly 65 percent of French people — a margin that has not materialized in any recent election.

Still, with a conservative victory apparently assured, Mr. Chirac and Mr. Balladur can concentrate on each other.

So far, both candidates have avoided vilifying each other by name, remembering that such

personal rivalries have shattered conservative unity before and eased the two presidential victories of François Mitterrand, a Socialist.

Instead, the two leaders have tangled about accusations of improprieties in office, an assertion that forced disclosures about both candidates' personal wealth — and left both men convinced that his rival had leaked embarrassing material.

Any sign of cooperation fell away Tuesday when Mr. Balladur was quoted as saying that he would not withdraw in Mr. Chirac's favor even if the two men ended up in a runoff.

His readiness to fight to the finish fits Mr. Balladur's new aggressive campaign style. Abandoning his initial image as an aloof manager, he has rolled up his cuffs and embraced the traditional campaign hoopla.

This image — sorely at odds with Mr. Balladur's prim per-

sonality — has come about mainly because of favorable news media coverage, especially by television, where the Balladur government has strong influence.

Mr. Chirac, who overtook Mr. Balladur's early lead with energetic campaigning, is sticking to his own new look of natural spontaneity tempered by experience. Mr. Chirac portrays himself as a man in touch with ordinary people, especially youth.

A poll published Tuesday indicated that 27.5 percent of voters would back Mr. Chirac in the first round, down from 29.5 percent 10 days earlier. Mr. Balladur gained 3 points, to 20.5 percent, while Mr. Jospin lost 1 point, to 20 percent.

In a runoff, Mr. Chirac was shown beating any rival, but Mr. Balladur also had a handy margin over Mr. Jospin.

Chirac Said to Get Break on Lodging

REUTERS
PARIS — A French newspaper says that the front-runner in the presidential campaign, Mayor Jacques Chirac of Paris, is living in a \$2 million apartment owned by a subsidized-housing company that bought the property to protect him from the threat of a sharp rent increase.

The weekly Canard Enchaîné reported in an article to be published Wednesday that Mr. Chirac paid a monthly rent of 11,000 francs (\$2,200) for a spacious ground-floor apartment with a private garden, in a villa in a chic Left Bank district of the capital. The rent was about half the normal rate, the paper said.

The paper quoted Mr. Chirac's campaign manager, Patrick Stefanini, as confirming that the apartment was owned by the company SGIM, which specializes in subsidized housing. Canard Enchaîné said the company was partly owned by Paris municipal authorities and by a holding company controlled by Guy and David de Rothschild.

Mr. Chirac's office declined to comment on the report.

EU Is Split Over Punishing Canada in Fishing Feud

Compiled by Our Staff From Dispatches

BRUSSELS — The European Union was divided Tuesday over how to defend Spanish interests against Canada in a dispute over fishing rights in international waters off Newfoundland.

The EU's executive branch, the European Commission, hinted that it might impose sanctions against Canada for a series of what it called "aggressive" maneuvers, culminating in the cutting of a net from a Spanish trawler Sunday.

According to his spokesman, the commission president, Jacques Santer, called Prime Minister Jean Chrétien of Canada late Monday and said any further moves by Ottawa "will have consequences on the Union's relations with Canada beyond fishing."

But EU member states, and

the commission itself, offered differing opinions on how far to take its threats in the battle for stocks of Greenland halibut, or turbot, off Newfoundland's Grand Banks.

On Tuesday, Spain moved on its own, filing a World Court complaint against Canada. The court, the judicial arm of the United Nations, confirmed that Spain submitted an application, but declined to disclose details. The Spanish fisheries minister, Luis Atienza, has lobbied the EU for a strong stand against Ottawa.

"I hope the European Commission is ready to enact sanctions" if Canada threatens more Spanish boats, he said.

"We favor a solution through international arbitration, but it is not possible if Canada continues to threaten the safety of our fishermen," he added.

Mr. Atienza said his government had asked delegates from the EU's 15 nations to discuss sanctions against Canada.

But the British Foreign Office urged the "utmost restraint" by the EU and an end to "megaphone diplomacy."

"Britain will continue to use high-level contacts with Canada and Spain and with the commission and other member states to reduce tension and urge an early negotiated settlement," it said in a statement.

Fishermen from Britain's southwest coast flew the Canadian flag on Tuesday to show their support. Cornish fishermen clashed with their Spanish counterparts last year in a dispute over rich fishing grounds off Ireland.

Negotiations on fisheries conservation and monitoring

measures resumed Tuesday, after EU officials had said Monday that the talks would be suspended until Canada stopped harassing EU fishing boats.

After meeting the EU fisheries commissioner, Emma Bonino, on Tuesday, Mr. Atienza said she supported Spain's intention to continue fishing for turbot despite a Canadian-imposed moratorium.

Her position, however, was not shared by all commission members, EU officials said privately. They said the EU trade chief, Sir Leon Brittan, who is charged with overall relations with Canada, is more inclined to favor Ottawa's position over that of Madrid.

The commission has been preparing a list of possible diplomatic and economic measures with which to retaliate. Its

spokesman, Nikolaus van der Pas, said the commission was ready to give "what's necessary" to the delegates in order to start a retaliation process.

(AP, Reuters)

BOOKS

ART & LIES: A Piece for Three Voices and a Bawd
By Jeanette Winterson. 206 pages. \$22. Knopf.

Reviewed by Elizabeth Hand

DEAD White European Males have taken such a beating these last few years that the combined energies of all the Blooms — Allan, Harold, Leopold — would scarce be enough to revive them. What a marvel, it is, then — a marvel and rather a clever little joke, considering the author's provenance — to read Jeanette Winterson's "Art & Lies" and find that DWELMS

have not only been given their due but their just deserts as well, in a short novel (only 206 pages) that absolves them of many of their sins of omission, without permitting them to forgo their penance. Winterson is one of our most important writers in English, the author of four previous novels that have been acclaimed on both sides of the Atlantic.

"Art & Lies" is nothing if not audacious. Three passengers board a train, which with its cargo of light appears to be that very locomotive Einstein used to explain his theory of relativity. The passengers' names are Handel, Picasso, Sappho; and so you think this is going to be a

variation on a couple of dead artists sitting around talking — "Godel Escher Bach" meets "Strangers on a Train."

But then Handel turns out to be a middle-aged surgeon and failed priest; brilliant, a specialist in breast cancer, haunted by his own failures and those of his church. Picasso is an artist, yes, but she is a young woman, fleeing her horrible bourgeois family and the incestuous attentions of her older brother. Only Sappho appears to be really Sappho; but who can be sure of that, since her only by those fragments of poetry that have survived the ravages of centuries? This volume details (among other things) the erotic peregrinations of Doll Snepiece, the bawd of the subtitle, whose adventures reflect and refract those of Handel, Sappho, Picasso in unexpected ways.

While "Art & Lies" is dizzying, almost brazen, in its effects, Winterson has set herself a still greater task. Her three passengers are all fleeing a terrible place and time, London at the millennium, "The City 2000 After Death," where their lives have been imprisonments of varying sorts. Picasso has been

quite literally locked up, institutionalized after she attempted to blow the whistle on her brother's abuse. Sappho's life — her art — has been suppressed by representatives of the patriarchy; and Handel has seemingly lost the key to his heart, somewhere between the seminary and the surgical amphitheater. Yet all three have been sustained during their internments in the 20th century by Good Angels. Art, but even more than Art, Words. As Sappho puts it, "I was and am still moved by things remote from me. Things demanding words, things whose life I understood so well that they seemed to be my own. They were not my own. Not one flesh but one image and the image more potent than the flesh. My Muse..."

Poignant, breathtaking, humorous and erotic (not for nothing is Doll Snepiece in here) and a real page-turner, the surreal rail passage of "Art & Lies" is not to be missed.

Elizabeth Hand, the author of several novels, including the forthcoming "Waking the Moon," wrote this for The Washington Post.

LIVING IN THE U.S.?

Now printed in New York
for same day
delivery in key cities.

To subscribe, call
1-800-882-2884
(in New York, call 212-752-3890)

Herald Tribune
THE WORLD'S DAILY NEWSPAPER

Amsterdam
Berlin
Bologna
Brussels/Bruxelles
Dresden
Düsseldorf
Florence
Frankfurt
Geneva
Göteborg
Hamburg
Helsinki/Helsingfors
København
Köln
London
Madrid
Milano
München
Paris
Roma
Stockholm
Stuttgart
Torino
Venezia
Wien
Zürich

Almaty
Beijing
Dhahran
Johannesburg
Tokyo
Teheran
Riyadh

Great Service
in Grand Class

Great service has a name: Austrian Airlines Grand Class. Let us convince you during your long-haul flight on board the new Airbus A340. Via our cross-roads in Vienna, we fly non-stop to Beijing, Tokyo, Johannesburg and Almaty as well as to major destinations in the Middle East. Enjoy Austrian hospitality, international comfort, sleeper seats and five course meals of the finest quality in our Grand Class. In addition to this, our A340 Grand Class comfort includes individual in-seat TV monitors and telephone satellite links to keep you in touch around the world. Welcome to the great Austrian Grand Class.

Welcome To
Austrian Airlines

BEST SELLERS

The New York Times
This list is based on reports from more than
1,000 bookstores throughout the United States.
Weeks on list are not necessarily consecutive.

Week	Fiction	Long List
1	THE CELESTINE PROPHET, by James Redfield	1
2	BORDER MUSIC, by Robert James Waller	2
3	POLITICALLY CORRECT BEDTIME STORIES, by James Van Garder	3
4	OUR GAME, by John F. Carr	4
5	ORIGINAL SIN, by P.D. James	5
6	DAISY HEAD MAYNIE, by Dr. Seuss	6
7	THE BRIDGES OF MADISON COUNTY, by Robert James Waller	7
8	THE JUDAS, by George Davis Greer	8
9	PHENOMENAL WOMAN, by Mary Higgins Clark	9
10	THE GLASS LAKE, by Maeve Binchy	10
11	KISS THE GIRLS, by James Patterson	11
12	MCNALLY'S TRIAL, by Lawrence Sanders	12
13	THE CAT WHO BLEW THE WHISTLE, by John Gwyn	13
14	ROGUE GREEN TEAM, by Richard Marheine and John Weisman	14
15	THE CUNNING MAN, by Robertson Davies	15
1	BREAKING THE SURFACE, by Greg Leisgang	1

2	THE HOT ZONE, by Richard Preston	2
3	SISTERS, by Carol Seltzer	3
4	THE DEATH OF COMMON SENSE, by Philip K. Howard	4
5	I WANT TO TELL YOU, by J.D. Salinger	5
6	ANTHROPOLOGIST ON MARS, by Oliver Sacks	6
7	MIDNIGHT IN THE GARDEN OF GOOD AND EVIL, by John Berneri	7
8	THE DISCIPLINE OF MARK, by Michael Tracy and Fred Wiersma	8
9	COUPLEHOOD, by Paul Reiser	9
10	INSIDE THE WHITE HOUSE, by Ronald Kaiser	10
11	NICOLE BROWN SIMPSON, by Faye D. Resnick with Mike Waters	11
12	RACING HEART, by Sheila Weller	12
13	THE BOOK OF VIRTUES, by William J. Bennett	13
14	THE WARREN BUFFETT WAY, by Robert G. Hagstrom	14
15	BEING DIGITAL, by Nicholas Negroponte	15

Week	Advice, How-To and Miscellaneous	Long List
1	MEN ARE FROM MARS, WOMEN ARE FROM VENUS, by John Gray	1
2	THE BEARDSTOWN LA DIES, COMMON-SENSE INVESTMENT GUIDE	2
3	THE KITCHEN WITH ROSIE, by Rosie Daley	3
4	THE SEVEN SPIRITUAL LAWS OF SUCCESS, by Deepak Chopra	4

Herald Tribune

PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST

Kidnapped by Iraq

Clinton Can't Ignore It

Not even the Iraqis charge that the two American aircraft maintenance specialists just convicted for an illegal border crossing were spies. On a casual day trip from Kuwait, they were passed, mistakenly, through a United Nations checkpoint. Then they were passed, again mistakenly, through an Iraqi checkpoint. For this patently innocent passage, an Iraqi court gave the two eight years.

A smart Saddam Hussein would have shipped the pair home quickly and grabbed for the international credit. Instead, the Iraqi strongman held on to them presumably as bait in a negotiation aimed at loosening the American-sponsored United Nations sanctions on his regime. The speaker of Iraq's Parliament, with no documentation, has raised the possibility of "sabotage" in this case. But he also said there might still be room for "leniency."

The United States asks for the release of the two Americans on a "humanitarian" basis. That means Washington is prepared to go without demanding that Iraq pay a political price for its offensive act — already a concession. It should not

mean that the United States is prepared to accept Iraq's plea for its own matching "humanitarian" release from international sanctions. Those penalties were imposed to extract compensation for wrongs that Iraq, the aggressor, did in the Gulf war. All along, the United Nations has offered to permit Iraq to sell oil for its food and emergency needs. For reasons of its own, Iraq has rejected this loophole. This past weekend it chose to say "no" again.

What Iraq has done amounts to kidnapping. It is something that the United States cannot ignore. Nor is this simply because of the American dispute with Saddam Hussein's Iraq. With millions of Americans constantly traveling, the United States has a greater national interest than any other country in seeing to the safety of its citizens abroad.

The tactics of how to deal with a Saddam Hussein are always difficult. The Clinton administration is taking what it calls a "quiet but firm" diplomatic route. Several candidates for the Republican presidential nomination declare that Bill Clinton should show himself ready to go a military route. He needs to get the two Americans back in a hurry.

— THE WASHINGTON POST

No Sanctions Linkage

Iraq has handed down unjustifiable eight-year sentences for two Americans who trespassed on its territory. Their imprisonment poses a delicate diplomatic problem for President Bill Clinton. Already Republican presidential hopefuls have called for forceful action to free the men. In coming weeks, the easing of economic sanctions on Iraq will come before the United Nations Security Council. Make too much of the two men's plight and Mr. Clinton drops a bargaining chip into Saddam Hussein's pocket. Make too little of it and the Republicans accuse him of letting two Americans rot in a Baghdad jail. Either way, Mr. Clinton's policy toward Iraqi sanctions is in some ways now held hostage, too.

The Clinton administration has so far steered a correct course. It has urged Iraq to release the men on humanitarian grounds. It has enlisted France and Russia in its efforts. At the same time, it has properly rejected any direct linkage of their release to a relaxation of economic sanctions on Baghdad.

Indirect linkage may be unavoidable. France and Russia favor lifting of Security Council sanctions. America is opposed. If they secure the men's release,

Paris and Moscow may seek some concession from Washington on sanctions. That is acceptable only after Iraqi compliance on disarmament.

The two men, who work for American defense contractors in Kuwait, were said to be visiting friends in the demilitarized zone, 10 kilometers wide on the Iraqi side of the border and five kilometers wide on the Kuwaiti side. To impose incursions, Kuwait has built a deep trench along its side of the border, but the two men crossed a bridge over the trench, where the United Nations and Iraq maintain checkpoints. It is a wonder how they were waved through both checkpoints.

Holding them will do little for Iraq's cause. Releasing them could help France and Russia try to win a lifting of the Iraq embargo when inspectors report to the Security Council on Iraqi compliance with disarmament strictures. Under the terms of the cease-fire resolution ending the Gulf war, Iraq will be allowed to resume selling oil once it relinquishes its weapons of mass destruction, identifies all its arms-making sites and suppliers and allows international monitoring. Lifting of the oil embargo should not be tied to the two Americans. Baghdad has a right to full relief only when it complies fully on arms.

— THE NEW YORK TIMES

Tests for Cancer Risks

Genetic tests that can tell if you are likely to get cancer are moving rapidly into the marketplace before there is a medical consensus on their value or how to use them. The swift advance has understandably leading authorities on ethics and medicine. But many people will no doubt feel, as we do, that any information that can give them a head start in fighting a dreaded disease is more a blessing than a cause for fear. The tests analyze blood or tissue samples for signs of mutated genes that can greatly increase an individual's risk of getting cancers that affect the breast, colon, thyroid, skin and brain.

It is mostly the rapid commercialization of the tests that has alarmed the experts. Some of the genes have been discovered only recently, yet already the genetic tests are being advertised to doctors, and at least one network of physicians will offer them to patients shortly. This is happening before experts in the genetics of cancer feel confident that they fully understand the significance of inheriting or developing a mutated gene.

The tests clearly pose some dangers. Experts have not identified all the genes involved in breast cancer, for example, or all the mutations possible, let alone whether all such mutations will cause cancer, making it difficult to interpret a genetic test for breast cancer.

Nor, in many cases, can doctors offer

much useful advice on how to prevent the cancer to which a patient may be prone. There are also concerns that some patients, presented with gloomy test results, might turn suicidal, and that cost-conscious employers or insurers might use test results to screen out people at high risk of cancer.

To find answers to such problems, many experts urge that testing be performed only in research settings, thereby limiting its availability.

That may be a sound scientific approach. But many individuals will surely crave access to any scrap of information that might help them in the battle against cancer. Some people found at very high risk of thyroid cancer might well wish to remove the thyroid surgically. Some at high risk of colon cancer might change their diets and get screened more often to detect and remove precancerous polyps. Those at high risk of breast cancer might redouble their efforts to diet, exercise and stay lean — and might also choose early mammography in an effort to detect small tumors.

There are no sure-fire ways to prevent or cure cancer, but advance warning that one is predisposed can at least allow people to marshal the few weapons available. Let the tests come to market while research goes forward on how best to interpret and handle the results.

— THE NEW YORK TIMES

Other Comment

An Odd Buildup in the Gulf

Lately, says U.S. Defense Secretary William Perry, Iran has been building up its military forces on three disputed islands near the Strait of Hormuz. It has moved 6,000 troops to the sites, along with anti-aircraft missiles. It has also deployed anti-aircraft missiles and, curiously, chemical weapons. The latter seems an odd choice in an area where steady breezes would make their use highly chancy, but Mr. Perry insists that the weapons have been detected.

Iranian interference with oil traffic would make little sense, given its own dependence on the Gulf's shipping lanes. Nonetheless, the buildup, along with Iran's acquisition of two Russian submarines and five fast-attack Chinese patrol boats, does raise questions. Until recently it was assumed the chief threat in the Gulf would continue to come from Iraq. Now Washington has put a second candidate on its list. An overreaction? Maybe. But far better to treat Iran's buildup with caution than with indifference.

— Los Angeles Times

Corruption Goes Global, and So Has to Be the Riposte

By Stephen J. Kobrin, Moises Naim and Patrick Glynn

WASHINGTON — Even a casual skimming of recent headlines reveals a world that appears to be awash in a wave of corruption. Governments have fallen in Brazil, Italy and Japan. French courts have sent a minister to jail. The scandal in Belgium may reach the highest levels of NATO.

Is this simply one more example of the media spotlight focusing on an age-old problem and inflating it well beyond its actual dimensions? Or has the practice of bribing public officials really become more important than in the past?

We are firmly convinced that corruption is in the public eye for good reason. It is a greater threat to business and society than ever before.

Law enforcement officials like Interpol's secretary-general, Raymond Kennedy, warn that it is becoming difficult to draw a clear line between "normal" political business corruption and hard-core organized crime activity. Because fiscal evasion, bribery, and money laundering all

The threat of organized crime penetrating legitimate business is real and growing.

entail similar techniques (deposits to offshore banks, for example), one easily slides into the other.

The problem is compounded by what police agencies describe as the increasingly far-flung financial activities of organized crime. According to the administrator of the U.S. Drug Enforcement Administration, Thomas Constantine, the drug trade is now a \$400 billion to \$500 billion business that circulates much of its

money through the global financial system. The threat of organized crime penetrating legitimate business — and large-scale corruption of the global financial system — is real and growing.

The increasing globalization of finance and business complicates the problem by putting a good deal of activity out of sight and out of the reach of national jurisdictions. International business transactions are harder for national government to track and control. Borders are becoming diffuse.

Today it is almost impossible to separate international from domestic business, offshore from onshore activity. Corrupt activity anywhere can affect any country's domestic economy and institutions in the blink of an eye.

Until recently, multinational corporations, especially those based outside the United States, generally accepted corrupt practices as the price for doing business, if not in their own countries then certainly abroad. This is now beginning to change. The state of major business-political scandals in the last two years indicates what appears to be a global shift in public attitudes toward corruption. The "clean hands" movement in Italy is but one example.

Governments and corporations are finding that public exposure of such practices carries a high price tag, up to and including jail sentences for those involved. All this has heightened interest among political and business leaders in broader coordination of anti-corruption efforts, including international standardization of legal frameworks and business ethics. For example, two recent OECD-sponsored conferences, one on bribery and the

other on official corruption, focused on the need for new multilateral approaches.

And the European Union has taken steps to establish Europol, a Europe-wide police intelligence agency to track organized crime activity across borders.

Business is also moving on the corruption issue. In January, the Geneva-based World Economic Forum, whose membership includes the world's top CEOs, launched a new anti-corruption initiative at its annual meeting in Davos. Executives, law enforcement officials, leading politicians, social scientists and ethics experts came together for a wide-ranging discussion of the problem.

The meeting led to formation of the Davos Group, whose membership includes the Drug Enforcement Administration's Mr. Constantine and Interpol's Mr. Kennedy, former Swedish Prime Minister Carl Bildt, Belgian Justice Minister Melchior Wathelet and the chairman or chief executives of Germany's Siemens, Russia's Technobank, the Luxembourg bourse and half a dozen other large multinational concerns on four continents.

Working with experts from business schools and think tanks, the Davos Group committed itself to a year of intense activity, designed to highlight and begin to find solutions to the corruption problem. No one underestimates the scope of the task. Legal and ethical standards for business vary widely from nation to nation, and in many cultures corruption is deeply entrenched. Nonetheless, Davos Group members share a conviction that the time is ripe for reform.

They are proposing practical steps, including an international convention on corruption (paralleling existing conven-

tions on drugs and terrorism), standard international codes of ethics for businesses, greater uniformity in extradition treaties and practices, closer monitoring of international financial transactions, professionalization of the civil service in developing nations, and a variety of educational efforts designed to focus business attention on ethical problems.

Executives of multinational firms are realistic enough to see that corruption in many places is simply a fact of life. But when all is said and done, most large corporations would prefer to stay out of the business of bribing.

Thanks to laws like the 1977 Foreign Corrupt Practices Act, which bars U.S.-based companies from bribing foreign officials, American multinationals face more restrictive rules than most of their competitors, and would benefit from a leveling of the playing field.

Moreover, political officials in the developing and post-Communist worlds increasingly recognize corruption as a major drag on development.

Tangible results will require hard-to-achieve cooperation among politicians, law enforcement officials and the international business community. The formation of the Davos Group just possibly signals the beginning of a serious effort by international business to come to grips with the global corruption problem.

The writers are members of the Davos Group. Mr. Kobrin is a professor of multinational management at the Wharton School of the University of Pennsylvania. Mr. Naim is a senior associate at the Carnegie Endowment for International Peace. Mr. Glynn is a resident scholar at the American Enterprise Institute. They contributed this comment to the International Herald Tribune.

The Nuclear Agreement With North Korea Is Flawed, So Improve It

By James R. Lilley

WASHINGTON — Despite a weak hand, North Korea has skillfully kept the offensive in its dealings with the United States. True, it has agreed to freeze its nuclear program. But the payoff has been huge — and Pyongyang keeps asking for more.

By threatening war, it persuaded Washington to abandon economic sanctions. It has also won a five-year delay of so-called challenge inspections of nuclear waste sites requested by Washington and the International Atomic Energy Agency. Its appetite whetted, Pyongyang — not wanting to seem dependent on Seoul — threatens to break the agreement if the light-water reactors it has been promised under the agree-

ment are built by South Korea.

The United States cannot trap itself in a game in which North Korea keeps upping the ante at South Korea's expense. Washington has encouraged this game by creating the impression that the South is also to blame for the problems on the peninsula.

State Department leaks insinuate that the South insulted the North by not being suitably respectful about Kim Il Sung's death. In a bizarre twist, the North has demanded that Seoul apologize for alleged insults.

Washington should not perform a balancing act between South and North. There is no

moral equivalence between the two. Who started the Korean War? Which is a hermit kingdom? South Korea's remarkable progress is there for all to see. It has an open press, genuinely democratic elections and an extraordinary economy.

North Korea has had trouble supplying its people with the basic necessities of life and clearly is in no position to lecture anyone on human rights. Further, the United States is committed to South Korea by shared interests and values as well as by a security treaty. These interests are not served by placating the North and denigrating the South.

The Clinton administration's flawed agreement should not be rationalized with the argument that the only alternative is war; the North Koreans are dangerous but not dominant. The real alternative is a better agreement.

During a recent trip to North Korea, I told my hosts what I believed had to be done. First, permit full inspections as soon as possible. Second, join with the South in reducing forces in the demilitarized zone. Third, join in confidence-building measures: installing hotlines and notifying each other of military exercises. Most important, both sides should resume their dialogue on overcoming divisions on the peninsula. The North-South agreements

on reconciliation and cooperation reached in 1991 are the only real basis for long-term stability. Trade and cultural exchanges would flourish, as would constructive engagement with America. North Korea has an unprecedented opportunity to improve its negative image in the United States. But if it persists in downgrading South Korea and belittling U.S. negotiators, the agreement aimed at restraining North Korea's nuclear ambitions, and the efforts to carry it out, will be seriously jeopardized.

The writer was U.S. ambassador to South Korea from 1986 to 1989. He contributed this comment to The New York Times.

From Gujarat, a Lesson in Changing Illiterates Into Businesswomen

By Elisabeth Bumiller

WASHINGTON — The most important person Hillary Clinton sees on her trip to South Asia this week is a shy, 62-year-old revolutionary in a band-spun cotton sari. Her name is Ela Bhatt.

The fact that she is on the itinerary tells me that the White House has got this trip right. Ela Bhatt is the founder and driving force of a now famous organization in India, called SEWA, that holds to the simple yet radical belief that poor women need organizing, not welfare. SEWA is the acronym for the Self-Employed Women's Association and corresponds to the Indian word *sewa*, for service.

Based in Ahmedabad, a dusty old textile city, SEWA is at its core a trade union for the self-employed. In other words, it offers union membership to the illiterate women who sell vegetables for 50 cents a day in the city markets, or who pick up paper

scraps for recycling from the streets — jobs that most Indian men don't consider real work.

When a woman joins SEWA, several things usually happen. Her income increases, since the union's power allows her better prices for her vegetables, or who purchase her paper scraps. Then she gains access to the extra income into her family, for education, health care, birth control. Studies have shown that Indian men often use extra income for alcohol, cigarettes and other personal treats.

Most important, a typically oppressed woman begins to change the way she thinks of herself. "For the first time she realizes she is not just someone's wife or daughter-in-law," says Ela Bhatt. "She's a worker, an active producer."

And when that happens, she meets women from other commu-

nities, and the horrific barriers of caste begin to break down. To date, SEWA has a membership of 150,000 women, the vast majority of them poor and illiterate.

What does this mean for America? Everything. At a time when the United States is trying to end welfare as it now exists, SEWA provides a model. From the dust bowls of Gujarat to the new South Bronx, a simple truth emerges: Give people some control over their own destinies — empower them, to use the current buzzword — and then watch as a spirit of enterprise emerges.

Hillary Clinton certainly knows this already. Her journey to South Asia could teach her more. Ultimately her trip is not just about women's issues but about learning how women are the real agents for change in the developing world, and at home.

I first met Ela Bhatt in the 1980s, when I was living in New Delhi and working on a book about the women of India. Up until then, I'll confess, the phrase "a trade union for the self-employed" made my eyes glaze over. But when I traveled to Ahmedabad in the fall of 1987, what I saw opened up my world.

When I first walked into the SEWA bank one stifling-hot October day, I was greeted by a festive cacophony of purposeful women, some eating lunch on the floor, others nursing babies along the sides of the room. The bank was where they socialized.

The SEWA bank now has 61,000 members, assets of \$4 million and customers who walk in each day to deposit a dollar or take out 60 cents.

For years, Ela often said, women had been treated "like dirt" by traditional bankers. Worse, women had no place to hide their savings from husbands and sons.

With the SEWA bank, she explained in the gentle tone that softened the daring of her thinking, "we will be able to nonviolently, in the most Gandhian way, eliminate the husbands' total control."

Her vision has in large part been shaped by Mahatma Gandhi, the leader of the Indian independence movement who believed in nonviolence and the need to uplift the poorest members of society first. His first fast was in Ahmedabad in 1918, on behalf of striking workers at the city's textile mills. Out of that fast grew the Textile Labor Association, or TLA, the oldest and largest trade union of textile workers in India.

A generation later, a young Brahmin woman from a well-to-do Gujarati family could find no better place to nurture her Gan-

dian ideals than in a job with the TLA, which did extensive welfare work among its members. By 1968, Ela had taken over the women's division of the union, a job that historically entailed social work among the members' wives.

She would soon demolish the assumption that what these women needed was charity from well-meaning people like herself. In 1971 she met with a group of "head leaders" — women who carry cloth on their heads between Ahmedabad's wholesale and retail markets — who complained that the cloth merchants routinely cheated them.

She helped them form a group to collectively demand better pay, then wrote an article about their plight for one of the local newspapers. When the merchants countered with an article of their own, insisting that they were paying the women fairly, Ela printed the merchants' claims on cards and distributed them to the women.

Out of that effort grew SEWA, which has organized women into 70 different trade cooperatives, from fish vending to cattle raising to weaving to hand-rolled cigarettes. Health care and insurance are available to the members.

After a brief period in the upper house of the Indian Parliament, Ela Bhatt is now the chair of Women's World Banking, the global financial-services network. She is also on the board of the Rockefeller Foundation — part of a change to move the foundation's leadership beyond the usual corporate titans.

The writer is author of "May You Be the Mother of a Hundred Sons: A Journey Among the Women of India." She contributed this comment to The Washington Post.

Global Warming: Avoid Illusory Goals

By David G. Victor

LAXENBURG, Austria — Environmentalists and officials from rich countries as well as vulnerable low-lying areas are meeting this week in Berlin to chart a course for the United Nations treaty to slow global warming. The conference is sure to be declared a failure unless there is agreement to seek tough new targets for limiting emissions of the gases known to contribute to climate change.

That would be wrong. All but a few of the 23 industrialized countries that have pledged to control their emissions have yet to implement their commitments fully. Imposing more stringent obligations would only eviscerate international law and undercut commitments.

So success in Berlin should be measured by whether the treaty narrows the gap between what governments say and do, not by whether delegates again agree to chase symbolic goals.

Today's implementation gap does not mean that governments have ignored international law: controlling global warming is a difficult task. To varying degrees, countries are trying hard to meet their goals.

But carbon dioxide, the main cause of warming, is an intrinsic by-product of burning the fossil fuels that power the industrial world. In seeking mandated international targets, activists are drawing erroneously on experience with other international problems — like controlling sulfur dioxide, which causes acid rain, and chlorofluorocarbons,

which deplete the ozone layer — where relatively easy technical fixes and chemical substitutes are possible.

In these cases, governments could assess what was feasible and thus credibly agree to respect tough mandated international targets. What is at stake in managing climate change is a trickier job: planning a new decarbonized economy. That requires much better information about which policies work, and a closer link between what international law calls for and what countries actually plan and do.

The answer is to focus efforts over the next few years on gathering reliable technical information on what governments are doing. A promising system of national plans — consisting of inventories of emissions of greenhouse gases, planned policies and measures, and forecasts of emissions — is already in place, along with mechanisms for multilateral review.

This system will face challenges enough without the Berlin delegates seeking the easy symbols of stringent new mandates that won't be met anyway.

Countries pressured into negotiating commitments that they cannot implement will respond, as many already have, by obscuring and omitting critical data. Without a transparent planning system it is impossible to distinguish genuine efforts from smoke and mirrors. More onerous future commitments to

slow global warming will be impossible to verify.

Luckily, global warming is not an imminent catastrophe. The greatest danger lies in the long-term buildup of gases. The UN's expert panel of climate scientists concluded recently that the future concentration of carbon dioxide is most sensitive to the sum total of emissions; the exact timing of emissions reductions matters less. The world can easily afford to wait for two more rounds of planning and reviews — about six years on the current schedule — that will be needed to build a sound foundation.

Still, the likely face-saving agreement in Berlin will be to launch new negotiations. The European Union, with one of the largest implementation gaps, says that it wants new commitments within two years.

That is a good idea if the time is used to explore the many unresolved issues, such as how to share the burden of slowing global warming. But it is a dangerously simplistic decision if the EU initiative is just a ruse to seek new symbolic commitments that widen the gap.

So the Berlin conference can succeed, but only if it leads to international law that takes implementation far more seriously.

The writer is a project leader for International Environmental Commitments, specializing in the study of what makes international environmental laws work effectively. He contributed this comment to the Herald Tribune.

IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1895: A Taste for Larks

PARIS — To the Italian everything is edible; it is a nation with a palate. It steeps a hare in fennel and eats salt with melons. The craze for devouring birds of all kinds is a species of fury from the Alps to Etna; they crunch the delicate bodies between their jaws with disgusting relish, and a lark represents to them a succulent morsel for the spit or pasty. The trade in larks all over the world is enormous and execrable. It should at once be made penal by heavy fines on the trappers, the vendors, and the eaters, or ere long no more will the lark be heard on the earth.

1920: Ouija Board Boom

BALTIMORE — The business boom which Baltimore has enjoyed has received a fresh impetus from an unexpected source — the ouija board. The increasing inter-

est in matters regarding the continuity of life after death, and the part which this little instrument has played in the demonstrations, have caused a great demand at the plant that is manufacturing it.

1945: Tommy's Initiative

LONDON — If a British Tommy runs into Hitler he'll have the full backing of His Majesty's Government for whatever course of action he decides to pursue. The question of instructing British soldiers in such an emergency was raised on the floor of the Commons today [March 28], but Anthony Eden, Foreign Secretary, championed individual initiative as a governmental policy in such matters. After stating that Hitler is "one of the major war criminals," Eden was asked whether "if a British soldier sees Hitler will it be his duty to shoot him or try to bring him back alive?"



International Herald Tribune

ESTABLISHED 1857
KATHARINE GRAHAM, ARTHUR OCHS SULZBERGER
Co-Chairmen

RICHARD McCLEAN, Publisher & Chief Executive
JOHN VINOCUR, Executive Editor & Vice President

WALTER WELLS, News Editor • SAMUEL ABT, KATHERINE KNORR and
CHARLES MITCHELLMORE, Deputy Editors • CARL GEWIRTZ, Associate Editor

ROBERT J. DONAHUE, Editor of the Editorial Pages • JONATHAN GAGE, Business and Finance Editor
RENÉE BONDY, Deputy Publisher • JAMES McLEOD, Advertising Director

JUANITA CASPARI, International Development Director • DIDIER BRUN, Circulation Director

Directeur de la Publication: Richard D. Simmons
Directeur Adjoint de la Publication: Katharine P. Darrow

International Herald Tribune, 181 Avenue Charles-de-Gaulle, 92521 Neuilly-sur-Seine, France.
Tel.: (1) 41 43 93 10. Fax: Ctr. 41 43 92 10. Adv. 41 43 92 12. Internet: IHT@worldnet

Editor for Asia: Michael Richardson, 5 Convent Road, Singapore 0511. Tel. (65) 472-7768. Fax: (65) 274-2334
Abt. Dir. Asia: Jeff D. Kravitz, 50 Greenwich Rd., Hong Kong. Tel. 852-2922-1188. Fax: 852-2922-1190.

Gen. Mgr. Germany: T. Schiller, Friedrichstr. 15, 69323 Frankfurt. Tel. (49) 72 67 55. Fax: (49) 72 73 10
Pres. U.S.: Michael Gorman, 840 Third Ave., New York, N.Y. 10022. Tel. (212) 752-3900. Fax: (212) 755-8085

U.K. Advertising Office, 61 Long Acre, London WC2E. Tel. (071) 836-4802. Fax: (071) 240-2254
S.A. au capital de 1,200,000 F. RCS Nanterre B 732021126. Commission Paritaire No. 61337

© 1995 International Herald Tribune. All rights reserved. ISSN: 0294-9052

OPINION/LETTERS

Flogging China With a Limp U.S. Noodle

By A. M. Rosenthal

NEW YORK — At least this can be said about a new human rights initiative of the Clinton administration: There are people in the government who understand and argued that it was an embarrassing piece of hypocrisy, saying much, meaning nothing, fooling nobody. They were overruled by higher authorities in the White

The administration 'encourages' businesses to adopt codes on fair employment practices, including 'avoidance' of child and forced labor.

House and National Economic Council, who still believe that the president can restore his reputation as a human rights leader with funny-house mirrors and without putting pressure on Communist China or its American business lobby.

Last year President Bill Clinton renege on his written word to use higher tariffs on some Chinese goods as incentive to bring standards of human rights decency to Communist China.

So Thursday his administration disclosed his new idea. U.S. business should institute voluntary codes of human rights principles for American corpo-

rations operating abroad. This is supposed to satisfy Americans interested in human rights, get them and their money behind him in the presidential campaign, and avoid the price presidents pay when they break their word.

Presumably Americans, Chinese Communists and tortured political prisoners in China and Tibet are all moronic enough that make the proposal more salt in the wound.

1. It transfers entirely the political and moral responsibility for fighting for human rights in China from Washington to American business, which has already enthusiastically rejected any intention of annoying the Chinese Communists by harboring such thoughts.

2. To ensure that Beijing is not irritated merely by being mentioned in context of a human rights proposal, the administration does not mention any country. The plan is supposed to apply to the whole world.

Un-codes for un-countries — so diffuse that un-China need take no offense, or worry about its impact.

If catch-all declarations about human rights had any effect — so many exist already — China would be a huge civil liberties entertainment park. The point and purpose of human rights action is to apply specific pressure on specific tyrannies.

3. Even as the limp noodle it is, American businesses complained that it might somehow annoy the dreaded China. So, in the lengthy code-contemplating process, the noodle was made ever limp.

4. To 100. The plan contains no provisions for economic pressure or penalties against governments and businesses that will continue saying what they have always said about human rights codes without enforcement: Put it in your ear. Instead, the administration "encourages" businesses to adopt codes on fair employment practices, including "avoidance" of child and forced labor. Avoidance!

About political oppression in workplaces in Whereverland, the administration says only, that it should not be condoned, no. There are no unsettling details about how Chinese Communists openly operate within foreign-backed factories to carry out such political terrorism as harassing women workers into abortion.

Commenting on the noodle, Human Rights Watch/Asia said that given the range of abuse in countries where American companies do business, in-

cluding Mexico, Saudi Arabia, Nigeria and of course China, the "codes" would do no more good than the "hortatory" language already found in personnel manuals. History records no dictatorship frightened by a company manual.

But in the U.S. Congress a bill has been introduced that would demand reports from American businesses in China on what they have done to deal with specific violations of human rights affecting their workers. The sponsors are Tom Lantos and Nancy Pelosi, both California Democrats, and Christopher H. Smith of New Jersey and Gerald Solomon of New York, both Republicans.

Mr. Lantos, long a human rights fighter, said in a written statement that it was "unconscionable" for American business to say that to operate in China they had no choice but to accept gross violations of human rights on their own factory floors. Mr. Lantos said the Clinton plan was "weak and ineffectual."

Over the phone he was more pithy. In seven words he summed up what I have been writing in this column.

"It makes me sick to my stomach," he said.

The New York Times

Of Cults, Quakes and Japanese Survival

By Robert Elegant

BOSTON — There was another earthquake in Japan last week, though not in recently ravaged Kobe. It was a rather small earthquake, and reports of its damage were drowned out by the horror of the nerve gas loosed on the Tokyo subway by another of those Japanese cults with strange and somehow sinister names: Aum Shinrikyo, which means roughly, Amen the Doctrine of Truth.

No one was surprised by that small quake. The Japanese always expect disas-

MEANWHILE

ters, natural or man-made. Calamities are a stark reality of life in Japan, as was material deprivation until very recently. Tidal waves, typhoons and the occasional volcanic eruption also afflict these islands on the edge of the stormy Pacific Ocean.

A precarious relationship with violent nature has shaped the Japanese people, whose dominance today frightens so many. During the millennia that formed their character, the Japanese lived on rice and greens wrung from their meager soil by much toil and on fish snatched from the seas amid constant danger.

Harsh self-discipline is required to live in a cramped society in a sparse environment where no gift of nature is plentiful.

Inured to hardship, the Japanese actually expect disasters. They are rarely disappointed. If not natural disasters, they are hit by man-made disasters: recessions, bankruptcies, the oil shock that threat-

ened to deprive them of their energy needs in the 1970s or the dollar shock that has driven their currency upward since.

Although this has made their goods expensive elsewhere, Japanese exports have never been higher. The innate pessimism of the Japanese helps explain why they have done so well since their cities and industry were leveled during World War II. "Gambare," which is practically the national motto, is an exhortation to endure with gritted teeth the slings and arrows of outrageous fortune — and then to strive once more. A second motto urges: "Put your head down and charge your goal like a bull, looking neither right nor left."

If unchecked, such compulsive and violent behavior would reduce Japanese society to anarchy. The Japanese have therefore imposed on themselves many complex rules of behavior, ranging from covering one's mouth when laughing to a minutely prescribed manner of addressing one's superiors.

Often the two ingrained tendencies are at odds, not blending but clashing. Sometimes a Japanese will all but walk over a foreigner whom he does not expect to see in a crowded public place. Almost invariably, he will then stop and apologize — profusely and sincerely.

The tension between the two antagonistic modes of behavior makes Japan

virtually a nation of neurotics, from a Western point of view. Safety valves have therefore been installed in the machinery of Japanese society.

Participants in many temple festivals of Buddhism or Shinto are expected to get drunk and rowdy. Similarly, the salaryman, the quintessential white-collar employee, is expected to get drunk regularly with his office colleagues. If he tells the boss off while convivially drunk, the boss is expected to forget the upbraiding — and sometimes he actually does.

Another refuge from the wracking tension of normal life is the curious sects that have for centuries sprung up in Japan. Many are extremist and demanding, as is Aum Shinrikyo, with its apparently murderous inclinations and the financially ruinous demands it makes on its disciples. But in its day Zen Buddhism was also demanding and extreme. Self-effacement and self-sacrifice for the sect are usually required.

Most Japanese manage to adjust to the divergent demands of their society. In doing so, they make Japan the dominant economic power it is. Some Japanese who find normal life too demanding save their bruised egos within such cults while waiting for the next disaster to strike.

The writer, a visiting professor at Boston University, is a former Asia correspondent for the Los Angeles Times and Newsweek. He contributed this comment to the International Herald Tribune.



LETTERS TO THE EDITOR

Two Kinds of Bombs?

Regarding "Turkey Crosses a Line" (Opinion, March 24):

At the end of the Gulf War, the United States moved to provide a "safe haven" for the Kurds of northern Iraq, including a flight exclusion zone, to protect them from Saddam Hussein's genocidal aggression. The lofty goal of protecting these people has continued since then, as it should, despite the sometimes high costs.

So I was astounded to read that President Bill Clinton had ordered the grounding of the protective flights so as not to interfere with Turkish F-16s flying sorties against Kurdish targets in Iraq.

It seems that for Saddam Hussein to bomb Kurdistan violates the UN resolutions being implemented by the United States, but that Turkish bombs against the same region are acceptable. Mr. Clinton has now resumed the overflights, but they protect only against Iraqi planes, not Turkish ones. How can such blatant hypocrisy exist? France and Germany, at least, have spoken up.

We beg Turkey to return to the community of nations, and we beg the United States to show its leadership by being true to its words and providing protection for the Kurds, not excuses for Turkey.

DAVID and ALWAND RUBY, Paris.

Pakistan and India

The editorial "How to Help Pakistan" (Opinion, March 16) acknowledges that Pakistan's troubled relationship with the United States is one factor behind the tragic events in that country. However, the formula prescribed for helping Pakistan is bound to aggravate the unrest and discord of most Pakistanis. Given that India enjoys normal trade relations with the Western world despite its aggressive nuclear policy, the demand that Prime Minister Benazir Bhutto should curb Pakistan's nuclear program in return for restoring economic aid smacks of duplicity.

The same can be said of the idea that Pakistan should be punished for allegedly helping the Kashmiri resistance, while the West ignores India's flouting of the UN resolutions that promised Kashmir the right, through UN-administered referendum, of self-determination.

If Miss Bhutto complies with these humiliating demands, she will be viewed as having betrayed the interests of Pakistan. That may be more than enough.

in the current atmosphere, to destabilize her regime.

AZZAM TAMIMI, London.

Dealing With Libya

Regarding "Oil Is a Weapon That Americans, Too, Should Be Reluctant to Use" (Opinion, March 23) by Edward L. Morse:

In using a strictly economic argument to oppose continued sanctions against Libya (there are none against Iran), Mr. Morse blithely ignores the reason for those sanctions in the first place.

Libya stands accused of murdering 270 persons in the terrorist attack on Pan Am Flight 103 over Lockerbie, Scotland. Are we supposed to forget that because sanctions are bad business? The fact that America's European "friends" are willing to overlook the situation is to their discredit. It is their fault the American sanctions are weak. The unilateral U.S. embargo has resulted in impounding nearly \$1 billion of Libyan money in the United States.

What "gesture" has Libya made to resolve the crisis? I was the husband of one of the victims of the destruction of Flight 103, and I am suing Libya in a U.S. federal court. I would be one of the first to know if any genuine effort had been made by the Gadhafi regime to make amends, and I know of none.

BRUCE M. SMITH, Port Orange, Florida.

Remember Estonia

An otherwise interesting article, "Hungarians Are Looking East, Far East, for Their Roots" (Feb. 8), contains incomplete information. The Hungarian language is related not only to Finnish but to Estonian, which is also a European language.

We realize that 50 years of Soviet occupation has dimmed the world's memory of Estonia as an independent nation, so, since restoring our independence, we are doing our best to get back on the map of Europe.

TIIA RAUDMA, Ministry of Culture and Education, Tallinn, Estonia.

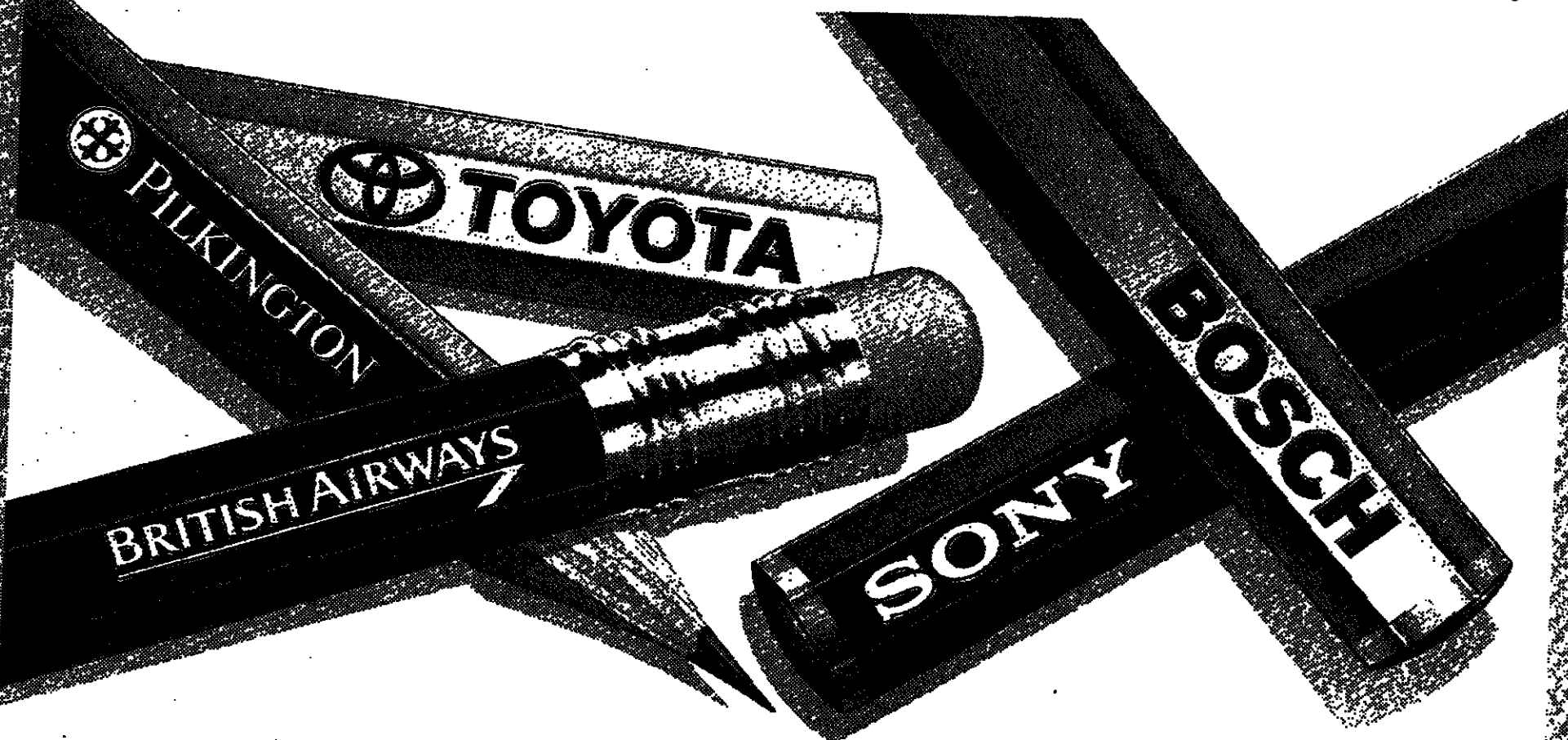
Blame the Purple Rain

Regarding the headline "Too Many Purple Waves of Grain" (Meanwhile, March 24):

"Purple waves of grain!" Even if your headline writer can't tell "America the Beautiful" from "Yes, We Have No Bananas," he ought to know the color of wheat.

BETTY S. SMITH, Le Beaumont, France.

SO MANY COMPANIES FIND WALES HAS SUCCESS WRITTEN ALL OVER IT.



The same thing seems to happen to companies who move to Wales.

They grow. Multinationals like Sony, Pilkington, British Airways, Bosch, Toyota and a host of smaller companies are all now bigger companies.

It happens for a combination of reasons. The development opportunities in Wales, the first class communications, the skilled, adaptable workforce, and the advice and assistance of the



THE WELSH ADVANTAGE

Welsh Development Agency.

Move to Wales and we'll do everything to help your company grow.

To find out how we can help your business grow in Wales, post or fax your business card to us on +44 1222 345615 at the International Division, Welsh Development Agency, Pearl House, Grevilliers Road, Cardiff, CF1 3XX, UK.

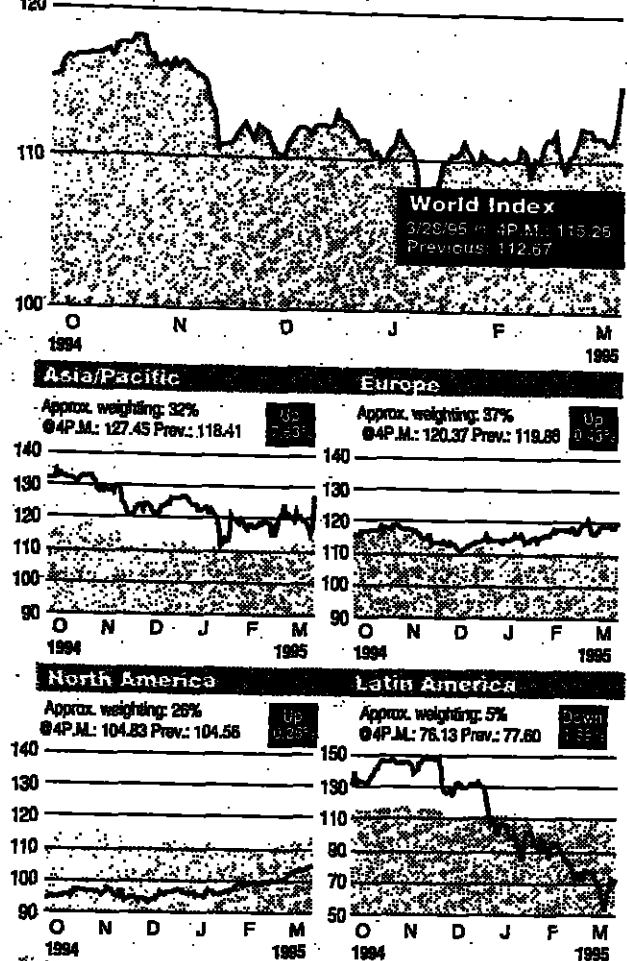
Alternatively you can telephone our Customer Services Team on +44 1222 828820.

WEDNESDAY, MARCH 29, 1995

PAGE 11

THE TRIB INDEX: 115.26

International Herald Tribune World Stock Index, composed of 280 internationally investable stocks from 25 countries, compiled by Bloomberg Business News, Jan. 1, 1992 = 100.



The index tracks U.S. dollar values of stocks in Tokyo, New York, London, and other major financial centers. The index is composed of the 20 top issues in terms of market capitalization, otherwise the top 100 issues are tracked.

Industrial Sectors	Index	Change
Energy	116.54	+0.41
Utilities	118.12	+0.58
Finance	115.51	+0.29
Services	111.51	+1.04
Capital Goods	118.58	+1.24
Raw Materials	130.08	+0.46
Consumer Goods	111.06	+0.56
Miscellaneous	120.27	+0.74

For more information about the index, a booklet is available free of charge. Write to Trib Index, 181 Avenue Charles de Gaulle, 92021 Neuilly-sur-Seine, France.

Dollar Pummels The DAX

Currency Menaces German Exports

FRANKFURT — The leading German stock index fell to an 18-month low on Tuesday as large foreign investors sold shares amid concern that the weak U.S. dollar would reduce earnings for exporters.

"The dollar is very serious for automakers and machinery makers," said Yuval Lapide, an institutional derivatives salesman at ABN-AMRO Bank Deutschland. "The U.S. is their main market, but they don't have a foothold there to produce."

The DAX index plummeted 35.93 points, closing at 1,910.96, down 1.85 percent from the final tally on Monday. The index's last fall to the 1,910 level came on Sept. 30, 1993, when it closed at 1,909.97. The index has lost about 10 percent since the beginning of March.

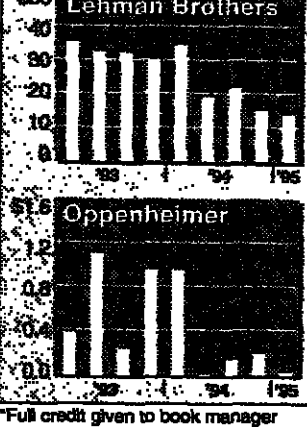
All but one of the 30 companies in the DAX fell Tuesday. The exception was the machinery concern Deutsche Babcock AG, which rose 2 Deutsche marks (\$1.25), to 157 DM. Earlier this month, the company announced earnings well above expectations.

Among stocks leading the decline were Deutsche Bank, which fell 14.7 DM, to 647 DM; Daimler-Benz AG, which slid 14.5 DM, to 607 DM; and Mannesmann AG, the plant and machinery concern, which fell 17.6 DM, to 355.20 DM. All were hurt by dollar-related concerns.

"Foreigners are just getting out of there," said Ed Strauss, a trader at Bayerische Vereinsbank AG in Munich. The dollar closed in Frankfurt at 1.4005 DM, down from 1.4058 in New York on Monday. In the past three months, the dollar has lost over 9 percent against the mark. (Bloomberg, AP)

The Big Squeeze

Total proceeds from securities underwritten each quarter, in billions. First quarter 1995 figures are through March 20.



A 'Big Squeeze' Holds Wall Street Up for Plucking

By Peter Truell and Stephanie Strom
New York Times Service

NEW YORK — Such is the turmoil on Wall Street that a Dutch bank whose name looks like a verb suffix may end up controlling two of its most venerable firms.

After one of the industry's worst years, many brokerage companies are being squeezed by declining revenue and their efforts to adjust, or just to survive, could reshape much of Wall Street in the months ahead.

Several firms are starting to feel they may need outside partners, extra equity capital and perhaps even an outright buyer. The company that many in the industry expect to be sold soon is Donaldson, Lufkin & Jenrette Securities Corp., a premier research firm that also has strong trading and underwriting businesses.

Insiders say there is also a likelihood of major changes in ownership and capital structure at such other well-known firms as Oppenheimer & Co., Dillon, Read & Co. and perhaps Lehman Brothers Inc. and even mighty Salomon Inc. itself.

"The big squeeze is coming," the chief executive of Salomon Brothers Inc., the Salomon brokerage unit, Deryck C. Mangan, frequently tells his colleagues. To which one of

See FIRMS, Page 19

New Sony President Aims At U.S. Info Highway

By Steven Brill
International Herald Tribune

TOKYO — The incoming president of Sony Corp. said Tuesday that the long-term future of the company that invented the Walkman and spearheaded Japan's move into Hollywood would hinge on entering the communications business, distributing entertainment programming via cable television and satellites.

Nobuyuki Idei also made clear that these business opportunities lay primarily in the United States, not Japan, where regulations have stifled the spread of cable and satellite channels as well as the technological innovation needed to turn them into new businesses.

"My dream is to fill a gap between content creation and content consumption," said Mr. Idei, outlining his vision in his first interview since being named as Sony's president last week. "In the long range, the big opportunities lie here."

His comments provided the clearest confirmation yet that the strategic agenda of Japan's consumer-electronics industry is being determined by events in the United States rather than Japan.

Mr. Idei, who will assume his new post next month, hinted that Sony might swap part of its loss-ridden Hollywood operations, Sony Pictures Entertainment Inc., to gain a foothold in cable TV operations in the United States.

"Having Hollywood with the Sony Group has a very important meaning for us," he said. "But how to manage it is another matter," he added, indicating Sony's strategic interests could be served as long as it maintained managerial control.

Over the past year, Sony has ventured into the business of distributing entertainment software. Earlier this month, it bought out partner Time Warner Inc.'s 50 percent stake in SW Networks, a U.S. syndicator of radio programming.

In January, it joined four other record companies in buying a 50 percent stake in Channel V from STAR TV, the Asian regional satellite broadcaster. It also tied up with Microsoft Corp.

More wrenching changes may be in store as the spread of digital technology blurs the lines between consumer electronics and computers and thrusts Sony into direct competition with a group of mainly U.S. computer and telecommunications companies.

"Today our competitors are Panasonic or Philips, but they are also teams playing the same game on the same field," Mr. Idei said. "In future, we have to face different competitors, like Compaq, Dell Computer and Apple Computer."

Sony would compete, he said, by increasing the intelligence in its consumer-electronics products, which, unlike personal computers, have traditionally been passive devices.

See SONY, Page 19

Police Question French Executive

The Associated Press

PARIS — The deputy chairman of Compagnie Generale des Eaux, France's water-treatment and construction concern, was questioned by police Tuesday regarding false-billing allegations against the company.

Jean-Dominique Deschamps, the deputy chairman, was summoned before a magis-

trate for questioning, said a police spokesman who insisted on anonymity. A Generale des Eaux spokesman confirmed that Mr. Deschamps was questioned but refused to give further details.

The magistrate was investigating allegations regarding payments to two research groups linked to France's Communist party.

Police would not say if charges would be filed against Mr. Deschamps or if he would be held in detention.

To subscribe in Germany: just call toll free, 0130 84 85 85

MEDIA MARKETS

IBM's New Digital Religion

By Steve Lohr
New York Times Service

NEW YORK — The Vatican Library was founded in 1451 by Pope Nicholas V. It houses 1.5 million books and 150,000 manuscripts, including the oldest known manuscript of the Bible, and is visited by only 2,000 scholars a year.

But International Business Machines Corp., as part of a new business push announced Monday, intends to help the Vatican open its archives to the computing masses.

"All these wonderful books are only of use if they're read," said the Rev. Leonard Boyle, prefect of the Vatican Library. He said the IBM project would put the library's manuscripts and texts in digital form as a way of broadening the library's reach.

IBM, meanwhile, intends to expand into a field of information technology that focuses mainly on large corporations, universities and cultural institutions.

The technology initiative, called the IBM Digital Library, is the company's effort to carve out a profitable niche on the so-called information highway.

IBM's approach with this move appears to be focused on specific, near-term ventures instead of opportunities like home business on demand, which could be a huge business but only years from now. "This isn't a vision," said Steven A. Mills, general manager of IBM's software solutions division. "These software tools are all available now."

At a press conference at the New York Public Library, company executives discussed a series of projects already under way to help companies and institutions transform text, art, films and music into digital form.

The projects include ones with the Vatican, the Los Angeles City Public Library, Indiana University and Telstar Holdings, a British company that markets copyrighted music.

Some of the Vatican manuscripts are likely to be available on the Internet, the worldwide computer network, and IBM is also working on software that offers copyright protection.

Hank Leingang, chief information officer of Viacom Inc., says IBM seems to be taking a sensible, step-by-step approach to software for the information highway. "The speed at which the business units move toward the ultimate solution — being fully digitized — will depend not only on what is technologically possible, but also what is commercially viable," he said.

With its software initiative, IBM is presenting itself as a company that offers all the tools for digitizing an information business: storage, data-base searching, rights management and distribution. But analysts say IBM must be careful to make sure each of its software tools works with industry-standard hardware and software, especially personal computers.

In the past, IBM has been hurt by trying to sell its proprietary software, even when lower-cost alternatives that run on personal computers were available. IBM executives insisted that the company would not make that mistake this time.

"We're committed to delivering these solutions on any platform, from PCs to mainframes," Mr. Mills said.

The Limited To Spin Off Clothes Units

Compiled by Our Staff From Dispatches

COLUMBUS, Ohio — The Limited Inc., seeking to revive a sagging share price, plans to spin off a portion of its lingerie and women's apparel businesses, the company said Tuesday.

One of the new companies would include The Limited's successful lingerie and fragrance operations, such as Victoria's Secret. The other would include its lagging women's apparel chains, such as Express and Limited.

The Limited would retain its men's clothing stores, including Structure and Abercrombie & Fitch Co.

The move is aimed at getting share prices that better reflect the impressive gains at The Limited's lingerie, personal-care and men's apparel businesses.

For the past three years, its stock has been held down by disappointing sales at the women's apparel business, which account for 60 percent of sales.

Wall Street welcomed the news and Limited share prices rose \$1.75 in late New York trading, to \$21.375.

The retailer may also sell a majority interest in its credit card business, World Financial Network/Limited Credit Services, it said. (Bloomberg, AP)

BANKING CLIENTS HAVE ALWAYS EXPECTED OUTSTANDING PERSONAL SERVICE. TODAY THEY FIND IT WITH US.



During the Renaissance, trusted advisors helped administer the finances and protect the interests of private individuals. The role demanded judgment, commitment and skill.

Today, clients find that same personal service at Republic National Bank. We believe that banking is more about people than numbers. It's about the shared values and common goals that forge strong bonds between banker and client. It's also about building for the future, keeping assets secure for the generations to come.

This client focus has contributed to our leading position in private banking. We're part of a global group with more than US\$5 billion in capital and more than US\$50 billion in assets. These assets continue to grow substantially, a testament to the group's strong balance sheets, risk-averse orientation and century-old heritage.

All banks in the group are locally managed, attuned to the language and culture of their customers. They share a philosophy that emphasizes lasting relationships and mutual trust. Those values were once the foundation of banking. At Republic, they have been and always will be.

Republic National Bank

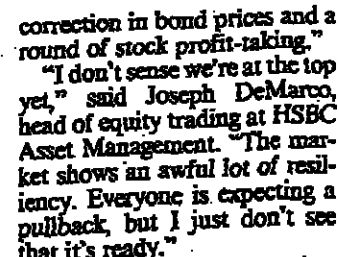
A Safra Bank

NEW YORK • GENEVA • LONDON • BEIJING • BEIRUT • BEVERLY HILLS • BUENOS AIRES • CARACAS • CAYMAN ISLANDS • COPENHAGEN • DENVER • GIBRALTAR • GUERNSEY • HONG KONG • JAKARTA • LOS ANGELES • LUGANO • LUXEMBOURG • MANILA • MEXICO CITY • MIAMI • MILAN • MONTE CARLO • MONTEVIDEO • MONTREAL • MOSCOW • NASSAU • PARIS • PERTH • PUERTO RICO • RIO DE JANEIRO • ROME • SANTIAGO • SINGAPORE • SYDNEY • TAIPEI • TOKYO • TORONTO • ZURICH

CURRENCY & INTEREST RATES

Cross Rates	March 28	March 29
Australia	1.00	0.68
Canada	1.00	0.71
France	1.00	6.55
Germany	1.00	1.36
Japan	1.00	143.75
UK	1.00	0.63
Switzerland	1.00	1.48
Italy	1.00	1.36
Spain	1.00	166.36
Sweden	1.00	8.48
Denmark	1.00	4.66
Norway	1.00	4.76
Finland	1.00	5.94
Belgium	1.00	36.36
Netherlands	1.00	2.20
Greece	1.00	340.75
Portugal	1.00	200.48
South Africa	1.00	13.75
India	1.00	47.63
China	1.00	8.27
South Korea	1.00	177.50
Hong Kong	1.00	7.75
Taiwan	1.00	24.63
Thailand	1.00	50.38
Malaysia	1.00	3.75
Singapore	1.00	1.36
Philippines	1.00	49.38
Indonesia	1.00	1,562.50
Brunei	1.00	1.36
Myanmar	1.00	125.00
Laos	1.00	1,250.00
Cambodia	1.00	1,250.00
Vietnam	1.00	1,250.00
North Vietnam	1.00	1,250.00
South Vietnam	1.00	1,250.00
East Germany	1.00	1,250.00
West Germany	1.00	1,250.00
Poland	1.00	1,250.00
Czech Republic	1.00	1,250.00
Slovak Republic	1.00	1,250.00
Hungary	1.00	1,250.00
Romania	1.00	1,250.00
Bulgaria	1.00	1,250.00
Serbia	1.00	1,250.00
Croatia	1.00	1,250.00
Slovenia	1.00	1,250.00
Yugoslavia	1.00	1,250.00
Bosnia	1.00	1,250.00
Herzegovina	1.00	1,250.00
Montenegro	1.00	1,250.00
Albania	1.00	1,250.00
Moldova	1.00	1,250.00
Ukraine	1.00	1,250.00
Belarus	1.00	1,250.00
Latvia	1.00	1,250.00
Lithuania	1.00	1,250.00
Estonia	1.00	1,250.00
Finland	1.00	1,250.00
Sweden	1.00	1,250.00
Norway	1.00	1,250.00
Denmark	1.00	1,250.00
Germany	1.00	1,250.00
France	1.00	1,250.00
UK	1.00	1,250.00
Switzerland	1.00	1,250.00
Italy	1.00	1,250.00
Spain	1.00	1,250.00
Portugal	1.00	1,250.00
Greece	1.00	1,250.00
Poland	1.00	1,250.00
Czech Republic	1.00	1,250.00
Slovak Republic	1.00	1,250.00
Hungary	1.00	1,250.00
Romania	1.00	1,250.00
Bulgaria	1.00	1,250.00
Serbia	1.00	1,250.00
Croatia	1.00	1,250.00
Slovenia	1.00	1,250.00
Yugoslavia	1.00	1,250.00
Bosnia	1.00	1,250.00
Herzegovina	1.00	1,250.00
Montenegro	1.00	1,250.00
Albania	1.00	1,250.00
Moldova	1.00	1,250.00
Ukraine	1.00	1,250.00
Belarus	1.00	1,250.00
Latvia	1.00	1,250.00
Lithuania	1.00	1,250.00
Estonia	1.00	1,250.00

Stocks Get Nicked As Bonds Stumble



The Nasdaq over-the-counter index broke ranks with the Big Board and rose 3.54 points, to a fourth consecutive record of 826.17, buoyed by gains in technology stocks.

Retailing stocks rallied after Limited Inc. announced plans to spin off stakes in several businesses as a way to revive its sagging share price. Limited surged 2 1/2% to 22 1/2%. Gap rose 1% to 33 1/2%. Dayton-Hudson rose 1 1/4% to 72 1/2% and Penney added 1 1/4% to 46.

The Dow Jones industrial average closed 5.53 points lower, at 4,151.81, as gainers slightly outnumbered losing shares. Technology and retail issues allowed the market to regain ground lost early in the session.

Industry speculation had initially centered on Richards or Deutsch as the likely successor before coalescing behind DDB Needham, which Advertising Age reported last week was "said to have the inside track." DDB Needham handles accounts for Volkswagen AG in 37 countries.

No one, it seemed, considered Arnold Fortuna — except for a committee of 15 Volkswagen executives and dealers.

Volkswagen becomes the largest account for Arnold Fortuna, which includes on its roster national name brands like Stanley Works tools and Titleist golf products.

Economy Sends

Fed didn't do anything," said Conte, deputy chief currency at Royal Bank of Canada. prices. Because they take nine months to successfully start

Foreign Exchange

y back from last year's growth
4 percent to about 2.5 percent,
inflation around 3 percent in a
maneuver that economists call
"landing" because it avoids im-
posing a recession to check rising

use increased interest rates months or more to bite, succoring such a course is like and corners.

to cut production. The threat of inflation tends to stay the Fed's hand. During the month a number of Fed members have hinted they are satisfied with the economy's course.

Statistics are always more volatile in the year because of the post-holiday slackening and the vagaries of winter weather. This year as much as \$10 billion in income tax refunds may be delayed in a government campaign against widespread fraud.

onomists are looking to May for Fed's next move, or in July, if public signals are still uncertain.

	High	Low	Close	Prev.
--	------	-----	-------	-------

[illegible]

Tuesday's 4 p.m. Close
 Nationwide prices, not reflecting late trade elsewhere
The Associated Press.

[illegible]

11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38 39 40 41 42 43 44 45 46 47 48 49 50 51 52 53 54 55 56 57 58 59 60 61 62 63 64 65 66 67 68 69 70 71 72 73 74 75 76 77 78 79 80 81 82 83 84 85 86 87 88 89 90 91 92 93 94 95 96 97 98 99 100 101 102 103 104 105 106 107 108 109 110 111 112 113 114 115 116 117 118 119 120 121 122 123 124 125 126 127 128 129 130 131 132 133 134 135 136 137 138 139 140 141 142 143 144 145 146 147 148 149 150 151 152 153 154 155 156 157 158 159 160 161 162 163 164 165 166 167 168 169 170 171 172 173 174 175 176 177 178 179 180 181 182 183 184 185 186 187 188 189 190 191 192 193 194 195 196 197 198 199 200 201 202 203 204 205 206 207 208 209 210 211 212 213 214 215 216 217 218 219 220 221 222 223 224 225 226 227 228 229 230 231 232 233 234 235 236 237 238 239 240 241 242 243 244 245 246 247 248 249 250 251 252 253 254 255 256 257 258 259 260 261 262 263 264 265 266 267 268 269 270 271 272 273 274 275 276 277 278 279 280 281 282 283 284 285 286 287 288 289 290 291 292 293 294 295 296 297 298 299 300 301 302 303 304 305 306 307 308 309 310 311 312 313 314 315 316 317 318 319 320 321 322 323 324 325 326 327 328 329 330 331 332 333 334 335 336 337 338 339 340 341 342 343 344 345 346 347 348 349 350 351 352 353 354 355 356 357 358 359 360 361 362 363 364 365 366 367 368 369 370 371 372 373 374 375 376 377 378 379 380 381 382 383 384 385 386 387 388 389 390 391 392 393 394 395 396 397 398 399 400 401 402 403 404 405 406 407 408 409 410 411 412 413 414 415 416 417 418 419 420 421 422 423 424 425 426 427 428 429 430 431 432 433 434 435 436 437 438 439 440 441 442 443 444 445 446 447 448 449 450 451 452 453 454 455 456 457 458 459 460 461 462 463 464 465 466 467 468 469 470 471 472 473 474 475 476 477 478 479 480 481 482 483 484 485 486 487 488 489 490 491 492 493 494 495 496 497 498 499 500 501 502 503 504 505 506 507 508 509 510 511 512 513 514 515 516 517 518 519 520 521 522 523 524 525 526 527 528 529 530 531 532 533 534 535 536 537 538 539 540 541 542 543 544 545 546 547 548 549 550 551 552 553 554 555 556 557 558 559 560 561 562 563 564 565 566 567 568 569 570 571 572 573 574 575 576 577 578 579 580 581 582 583 584 585 586 587 588 589 590 591 592 593 594 595 596 597 598 599 600 601 602 603 604 605 606 607 608 609 610 611 612 613 614 615 616 617 618 619 620 621 622 623 624 625 626 627 628 629 630 631 632 633 634 635 636 637 638 639 640 641 642 643 644 645 646 647 648 649 650 651 652 653 654 655 656 657 658 659 660 661 662 663 664 665 666 667 668 669 670 671 672 673 674 675 676 677 678 679 680 681 682 683 684 685 686 687 688 689 690 691 692 693 694 695 696 697 698 699 700 701 702 703 704 705 706 707 708 709 710 711 712 713 714 715 716 717 718 719 720 721 722 723 724 725 726 727 728 729 730 731 732 733 734 735 736 737 738 739 740 741 742 743 744 745 746 747 748 749 750 751 752 753 754 755 756 757 758 759 760 761 762 763 764 765 766 767 768 769 770 771 772 773 774 775 776 777 778 779 780 781 782 783 784 785 786 787 788 789 790 791 792 793 794 795 796 797 798 799 800 801 802 803 804 805 806 807 808 809 810 811 812 813 814 815 816 817 818 819 820 821 822 823 824 825 826 827 828 829 830 831 832 833 834 835 836 837 838 839 840 841 842 843 844 845 846 847 848 849 850 851 852 853 854 855 856 857 858 859 860 861 862 863 864 865 866 867 868 869 870 871 872 873 874 875 876 877 878 879 880 881 882 883 884 885 886 887 888 889 890 891 892 893 894 895 896 897 898 899 900 901 902 903 904 905 906 907 908 909 910 911 912 913 914 915 916 917 918 919 920 921 922 923 924 925 926 927 928 929 930 931 932 933 934 935 936 937 938 939 940 941 942 943 944 945 946 947 948 949 950 951 952 953 954 955 956 957 958 959 960 961 962 963 964 965 966 967 968 969 970 971 972 973 974 975 976 977 978 979 980 981 982 983 984 985 986 987 988 989 990 991 992 993 994 995 996 997 998 999 1000 1001 1002 1003 1004 1005 1006 1007 1008 1009 1010 1011 1012 1013 1014 1015 1016 1017 1018 1019 1020 1021 1022 1023 1024 1025 1026 1027 1028 1029 1030 1031 1032 1033 1034 1035 1036 1037 1038 1039 1040 1041 1042 1043 1044

Continued on Page 16

Continued on Page 16

makers **F**
entially Huge

»HAPPY DIAMONDS«

CHOPARD BOUTIQUES : GENÈVE • LONDON • PARIS • ROMA • WIEN • NEW YORK • DUBAI •
 AND TRADING JEWELLERS WORLDWIDE

Sept 11 1950

Hopes for Lower Rates Spur Markets in Tokyo

Compiled by Our Staff From Dispatches

TOKYO — Growing hopes for an interest rate reduction galvanized Japan's financial markets on Tuesday as the Nikkei stock index jumped 3.6 percent, bond prices soared and the main three-month market interest rate fell to a record low.

Traders and analysts said it appeared almost certain the central bank would cut its key interest rate to curb appreciation of the yen and boost the sluggish economy.

The focus has now shifted to when and how much the Bank of Japan will lower the discount rate, said Daisuke Fujisawa, assistant manager at Tokai Bank.

Speculation about a cut in official interest rates was spurred Monday when Finance Minister Masayoshi Takemura said Japan would follow a "flexible monetary policy" to cope with the strong yen and slumping stock prices.

The discount rate — the rate at which the central bank makes overnight loans to commercial banks — stands at 1.75 percent, unchanged since September 1993.

Mr. Takemura denied that his comments were intended as a public appeal to the central bank. "An interest rate cut is a matter to be decided by the Bank of Japan," he said.

The Nikkei Stock Average jumped 585.48 points, to 16,681.73, while the price of the benchmark No. 174 10-year government bond rose to 106.24 from 105.11, pushing its yield down to 3.71 percent from 3.86 percent. Closely watched three-month certificates of deposit were issued at a record low rate of 1.95 percent, down sharply from Monday's 2.10 percent.

The rally in the Tokyo stock market was helped by news reports that Bank of Tokyo and Mitsubishi Bank would merge to form the world's largest commercial bank.

"That would be good news for a troubled industry," said Joji Maki, fund manager at Nikko Securities Investment Trust & Management Co.

Gains in banking and brokerage stocks fueled the market's advance.

Many traders expect a 0.5 percentage point cut in the discount rate early in the new fiscal year, which starts April 1. Some said they thought it would occur this week.

"The market has completely factored in a discount rate cut," said Yoichi Muto, a dealer with Yasuda Trust & Banking Co.

Business leaders have been urging a discount rate cut as a way to halt appreciation of the yen, which threatens Japanese exporters. The dollar fell to a record low of 88.20 yen in New York last Thursday. On Tuesday, the dollar closed at 89.45 yen in Tokyo, up from 88.65 on Monday.

"It may not happen today, but everyone is expecting lower rates," said Kazuma Yoshimura, a trader at Nikko Securities Ltd. "The dollar's revival above 89 yen is also good news."

Shares in companies that rely on export sales rose with the dollar. Toshiba Corp., which gets 27 percent of its revenue abroad, climbed 13 yen, to 581. Sony Corp., which earns 69 percent of its revenue abroad, climbed 80 yen, to 4,380. Stock in Toyota Motor Corp. advanced 40 yen, to 1,700. It receives 34 percent of its revenues from sales abroad.

(Bloomberg, Reuters)

Affiliates Weigh on 3 Japan Banks

Bloomberg Business News

TOKYO — Three medium-sized banks in western Japan — Bank of Osaka Ltd., Fukuoka Bank Ltd. and Hanwa Bank Ltd. — predicted Tuesday they would post losses for the current financial year after disposing of bad loans incurred by nonbank affiliates.

"They've all clearly been brought back to earth with a jolt," said Mark Faulkner, an analyst at S.G. Warburg. "They've cut their dividends, and they're recognizing substantial losses which they were hoping not to disclose."

Analysts said the recognition by the banks that nonbank affiliates have been a drag on overall profitability may be positive for them.

"The outlook for these banks has been very negative because it's been assumed that they would have to rehabilitate their ailing nonbanks over a prolonged period of time," said Linda Daqui, an analyst at Lehman Brothers.

After turning off bad loans, the banks may be able to turn a profit as early as next financial year, Ms. Daqui said. But at the banks, only Hanwa executives were that optimistic. They predicted current, operating and net profit next year.

One reason the regional banks may have been forced to report these losses now, Mr. Faulkner said, is the recent weakness in Japanese stock prices. Since the earthquake in Kobe in January, Japan's benchmark Nikkei index has dropped more than 10 percent, although its strong rise on Tuesday recouped some of the earlier losses. The weak market means the banks could not sell securities that had advanced in price to offset the charges for the nonbank affiliates.

Bank of Osaka said it would report 30 billion yen (\$338.4 million) in current losses for the financial year as a result of writing off bad loans incurred by its three nonbank affiliates. It said it would liquidate the affiliates and would cut its dividend to 1.50 yen from 3 yen.

Fukuoka Bank forecast a loss of 8 billion yen and said it would liquidate six affiliates and cut its dividend in half, to 1.50 yen.

Hanwa Bank said it would report 5.90 billion yen in current losses for the year and would dispose of nonperforming loans incurred by its two nonbank affiliates. It said it would not pay any dividend for the six-month period ending on March 31.

Sega Leads Switch In Japan's Tactics On Chinese Piracy

Bloomberg Business News

TOKYO — In Beijing early this month, Chinese officials and executives from Sega Enterprises Ltd. walked into a cavernous, nondescript building and found what they were looking for: counterfeit Sega video-game players.

The raid, one of seven in the Chinese capital by agents of China's State Administration for Industry and Commerce on the morning of March 9, signaled the beginning of an active role for Japanese companies in what has been mainly an American-led fight against piracy in China.

"We sent them a message that we're not just sitting back and watching," said Kikichi Nishikura, Sega's general counsel. "It was a good day's work."

Sega's raids came shortly after Washington and Beijing signed an agreement on copyright protection.

In its agreement with the United States, China promised measures to clamp down on piracy, such as creating special task forces with powers to raid and arrest counterfeiters.

Now the Japanese, whose electronics makers have suffered for years at the hands of Chinese counterfeiters, are stirring.

The head of Japan's Patent Office called for improved intellectual-property protection at a meeting with Chinese patent officials in Beijing this week.

He carried a list, compiled by the Ministry of International Trade and Industry, of Chinese patent violations reported by Japanese companies in the last year, a ministry official said.

The list included video games, motorcycles, cassette tapes, watches and even zip fasteners that Japanese makers say have been copied.

"Sega is leading the way in the Japanese fight against copyright violations," said

Clifford Borg-Mark, a China law consultant at the Hong Kong office of Baker & McKenzie, a Chicago-based law firm.

Sega's sales in China and Hong Kong are about 1 billion yen (\$11.3 million) a year, the company said. Sega said about 95 percent of Sega games sold in China and about half of those sold in Hong Kong were fakes.

This month's raids also uncovered a network of Russian traders in Beijing who smuggle fake goods home.

"There were actually two Russians in the building at the time," Mr. Nishikura said. "They didn't seem to know what was going on at first and just continued negotiating their next shipment."

The raids did not produce any arrests, because the agents of the State Administration for Industry and Commerce do not have the power to detain suspects.

The agency issues a warning that authorizes prosecution if violations are repeated.

An official of the trademark office of the administration in Beijing, who asked not to be named, said it was easy for foreign companies to get alleged trademark violations investigated.

"They can go to the local branch of our administration, who will conduct an investigation and carry out punishments according to the law," the official said.

"If the company thinks the punishment is not strong enough, it can take criminal procedures in court, where the maximum sentence possible is seven years in jail."

Mr. Borg-Mark, who has five years' experience of intellectual property cases in China, says the country deserves credit for its efforts to crack down on violators.

"China has done a lot in a short time, but you've got to expect it will take some time for an awareness of the meaning of copyright to sink in," he said.

Beijing Lets The People Be Surfers On Internet

Compiled by Our Staff From Dispatches

BEIJING — The information superhighway will reach China next month, as the government officially opens the Internet to the public, the Ministry of Posts and Telecommunications said Tuesday.

The move, which theoretically grants 1.3 billion Chinese access to the vast web of computer networks, could have startling ramifications in a country in which access to information is strictly controlled.

In reality, only a tiny fraction of the population has enough money and equipment to access the Internet, but analysts say the potential number of users is significant: Sales of personal computers in China are surging, totaling nearly 300,000 last year.

The Xinhua news agency quoted the Ministry of Posts and Telecommunications as saying the move would allow Chinese users "to enjoy all of the information resources on the Internet."

Until now, the lack of an Internet gateway in China meant the high cost of using the network restricted access to a few major educational institutions, the armed forces and some government ministries.

Universities were at the center of the political discontent that led to the 1989 pro-democracy movement, and one obvious consequence of public Internet access would be the potential for political dissent to go on-line.

Overseas Chinese scholars and students already use the network to send anti-government material, which will presumably be available to individual users on the mainland.

However, while there is technically no way of restricting access to the network, one western analyst said the state monopoly on providing Internet service in China would enable the authorities to set prohibitive user fees.

Access to the Internet can only be made through the China Public Packet Switching Data Network and the China Public Data and Digital Network.

(AFP, AFX)

Investor's Asia				
Exchange	Index	Tuesday Close	Prev. Close	% Change
Hong Kong Hang Seng		8,827.93	8,687.54	+1.62
Singapore Straits Times		2,104.24	2,090.57	+0.65
Sydney All Ordinaries		1,899.70	1,908.80	-0.48
Tokyo Nikkei 225		16,681.73	16,096.25	+3.64
Kuala Lumpur Composite		984.75	952.74	+3.26
Bangkok SET		1,211.57	1,199.72	+0.99
Seoul Composite Index		947.90	953.84	-0.62
Taipei Stock Market Index		6,464.76	6,470.28	-0.08
Manila PSE		2,282.76	2,248.39	+1.50
Jakarta Composite Index		426.08	423.59	+0.59
Wellington NZSE-40		1,991.46	1,957.59	+1.73
Bombay Sensitive Index		3,317.01	3,299.19	+0.54

Source: Reuters International Herald Tribune

Very briefly:

- Australia's antitrust regulator dropped its objections to the proposed merger between the oil companies Ampol Ltd. and Caltex Australia Ltd., allowing the stalled \$1.1 billion Australian dollar (\$2.25 billion) plan to proceed.
- Japan's Fair Trade Commission has ordered Matsushita Electric Industrial Co., Mitsubishi Electric Corp. and Sony Corp. to pay a total \$4.23 million yen (\$942,000) in surcharges for rigging bids to make undue profits on public sports facilities.
- Japanese motor vehicle exports in February declined 1.6 percent from a year earlier, to 374,171 units, after a 23 percent drop in January, the Japan Automobile Manufacturers Association said.
- Henderson Land Development Co.'s first half profit jumped 62 percent, to 3.8 billion Hong Kong dollars (\$491.4 million), despite a slump in the Hong Kong property market, because of pre-sales of new housing units.
- Acer Inc. will issue a stock dividend of 4 Taiwan dollars (15 cents) per share for 1994; Taiwan's leading computer maker also plans to issue global depositary receipts.
- China Pacific Insurance Co. has paid \$160 million in compensation to Asia-Pacific Communication Satellite Co. for an unsuccessful satellite launch in January, the insurer said.
- Taiwan and China are expected to have record indirect trade of \$20 billion this year, up from 1994's \$16.51 billion.
- China's electronics industry is expected to show 20 percent growth in output this year, compared with 1994, with production of 220 billion yuan (\$26.16 billion), the Ministry of Electronics Industry said. Exports were predicted to be about \$12 billion of that, the Xinhua news agency said, quoting the ministry.
- China is expected to import about the same number of vehicles in 1995 as it did last year, when imports were 281,421, according to Chen Ping, deputy general manager of the China Trading Center for Imported Vehicles. Mr. Chen said the number of cars will rise from the 34,638 ordered last year, reflecting demand from taxi companies and the private sector.
- Indonesia's gross domestic product jumped to 7.34 percent in 1994 from 6.5 percent the previous year and is expected to continue increasing.

Reuters, AFP, Bloomberg

Carmakers Fight for Pieces of Asian Pie

A Potentially Huge Middle Class Forces a Scramble for Deals

Reuters

HONG KONG — The giant carmakers of Europe, the United States, Japan and South Korea have gone into top gear for what is becoming one of the great industry battles of the late 20th century.

As countries such as China and India open their doors to foreigners, boardrooms from Detroit to Seoul are waking up to the enormous potential of the world's fastest-growing economic region.

At least six foreign carmakers are already involved in joint-venture or co-production agreements in China, which is expected to become a huge market for cars over the next 15 years.

India's economic reforms launched in 1991 are also opening its roads to foreign cars. Asia offers more than just the future promise of the world's two most populous nations.

The phenomenal growth of South Korea, Taiwan, and the six countries that make up the Association of South East Asian Nations — Brunei, Indonesia, Malaysia, Philippines, Singapore and Thailand — has meant skyrocketing demand for cars from a burgeoning middle class. Combined car sales in these eight countries are likely to exceed 5 million units this year.

Japan has been the traditional supplier of small- and medium-sized passenger cars to the region. But now in China, for example, Volkswagen AG, PSA Peugeot Citroën SA, Renault and Chrysler Corp. have joined battle with the Japanese.

China's domestic motor-vehicle production is expected to reach 3 million units by 2000 and 6 million by 2010.

The big change in opening up the Chinese market came last May, when Beijing reversed decades of support for public transport and bicycles and said a capital-intensive family-car industry would become a pillar of the economy.

More than 20 global carmakers came to a show in Beijing in November where they vied for the right to co-produce what the government dubbed the Family Car China, a robust inexpensive small car.

Ford Motor Co. and General Motors Corp. launched aggressive bids, with Ford pledging to invest well over \$1 billion to make China its main Asian production base.

In Thailand, where 1995 sales are estimated to be double those made in 1991, Japan's

carmakers, led by Toyota Motor Corp., are still dominant, but European companies such as Adam Opel AG, the German unit of General Motors, and Volvo AB of Sweden have recently made progress.

Sales of Japanese cars in Thailand have dropped to about 71 percent of the market from 85 percent in 1992.

Skoda Automobilova AS, the Czech unit of Volkswagen, is expected to enter Thailand this year and Chrysler will be the first American carmaker to start local production.

Malaysia provides a contrast. Car sales there are expected to rise 22 percent, to 190,000, this year, but the market is dominated by Proton, the so-called national car made by a joint venture between the government and Mitsubishi Motors Corp. of Japan.

The Proton venture sold 110,505 cars last year, while the newly launched Perodua, made by a joint venture between UMW Holdings Bhd., the local assembler of Toyota cars, and

Daihatsu Motor Co. of Japan, sold 8,880. Cars directly imported or assembled from imported kits contributed the rest.

In the Philippines, where car sales reached 58,000 last year and annual growth is projected at about 16 percent for the next five years, Japanese companies are facing competition from Europe and Malaysia.

Carmakers have been flocking to the Philippines in anticipation of a surging market. New entrants to the market include Bayerische Motoren Werke AG of Germany, Volvo, Proton and Kia Motors Corp. of South Korea.

India also offers opportunities for foreign carmakers, and a number are about to go into production.

This year is likely to see the arrival of a string of new models in India, beginning with the Cielo, to be made by a joint venture between Daewoo Corp. of South Korea and DCM Ltd. of India.

Mercedes-Benz AG, General

Motors, Peugeot, Ford, Daewoo and Rover Group Ltd., the British unit of BMW, have signed up with local companies to make cars in India. Volkswagen and Honda Motor Co. are also considering making cars in India.

The new players will compete with Maruti Udyog Ltd., a venture between the Indian government and Japan's Suzuki Motor Co., which has over 60 percent of the Indian car market.

Asian carmakers have also joined European and U.S. auto companies in jostling for a foothold in Vietnam's tiny car market, which is expected to grow fivefold in the next five years.

Sales of vehicles in Vietnam, mostly imported, totaled 11,500 in 1994 and should reach 60,000 in 2000, according to Automotive Resources Asia, an industry consultant.

Car manufacturing in Vietnam started only in the early 1990s. The two original companies — Vietnam Motors Corp. and Mekong Corp. — are the only domestic companies assembling cars.

REPUBLIC OF LEBANON
INVITATION TO TENDER FOR THE EXECUTION OF
THE REHABILITATION OF THE COASTAL HIGHWAY BETWEEN DRAVEH AND NAHR AL-MAOUT
As part of the Beirut Suburban Project (Law 246/93)

The Government of Lebanon, represented by the Ministry of Public Works and the Council for Development and Reconstruction (CDR), invites Contractors to tender for the execution of the works of the Rehabilitation of the Coastal Highway between Draveh and Nahr Al-Maout.

The Works will include the following main elements:

- Improvement and construction of a 5 km dual motorway (3-4 lanes per direction).
- Construction of a 5 km dual carriageway road (2 lanes per direction).
- Construction of about 12 km single carriageway roads and parallel service roads along the motorway (about 10 m wide).
- Construction of five interchanges with prestressed concrete overhead bridges 10 m to 20 m wide with a total length of about 10 km.
- Construction of two prestressed concrete pedestrian bridges.
- Construction of a 20 m wide, 90 m long prestressed concrete railway bridge.
- Reconstruction and sea slope protection.
- Street lighting.
- Stormwater drainage.
- Construction and relocation of utilities such as water supply and sewerage mains.
- Landscaping and landscape irrigation.
- Traffic signs and traffic lights.

Miscellaneous works such as road marking and sidewalk construction.

The Lebanese Government invites, to tender, Lebanese and non-Lebanese, suitably qualified civil engineering and roads contractors, who meet the requirements stipulated in the prequalification documents related to this Tender. The main requirements being that the Contractors have already executed works of similar nature and volume over the last ten years, either as main Contractors or as joint ventures with other Contractors for an amount, after adjustment at the date of execution equivalent to (200,000,000 US\$) two hundred million United States Dollars, including one project the adjusted amount of which at the date of execution amounted to (50,000,000 US\$) fifty million United States Dollars.

Tenders must be submitted in two separate sealed envelopes:

The first envelope shall contain the completed prequalification documents contained in the Tender Documents for this purpose and any other supporting documents proving the technical and financial ability and experience of the Contractor as well as the Tender Guarantee.

The second envelope shall contain the financial offer and the priced Bill of Materials.

The Tender Committee in CDR shall first open the first envelope and establish the ability and experience of the Contractor. The Committee shall retain only those Contractors who qualify to execute the Project and shall return the sealed financial offers to those Contractors who do not qualify.

The Tender Committee shall then open in public the second envelope of only those Contractors who are qualified, at a date and time to be announced in due time.

Contractors who wish to participate in this Tender are invited to collect the relevant Tender Documents against a sum of U.S. Dollars Eight Thousand (\$8,000) in the form of a banker's certified check in the name of the Council for Development and Reconstruction at the offices of CDR as of Monday the 3rd of April 1995 at the following address: The Council for Development and Reconstruction - Tallet Al-Serail - Beirut - Lebanon.

Tenders are to be submitted at the above CDR address not later than 12:00 hours noon Beirut local time on Wednesday 23 June 1995.

Disappointed by the service other airlines don't offer?

Let us pamper you on all our flights.

From the time we first took flight we have always been distinguished by our class and impeccable service. Even today we keep raising our standards. And, thanks to our reputation, we will keep on growing, both in Italy and in Europe. On our entire network you will find our personnel both helpful and efficient, always ready to make you feel at home. If you would like more information on our flights, please contact your travel agent or call Meridiana.

Meridiana
Your Private Airline

FROM: BARCELONA, BANGKOK, BEIRUT, BIRMINGHAM, BOLOGNA, BRISBANE, CANTON, CHANGI, CHENGDU, CHONGQING, COLOGNE, DALLAS, DELHI, DUBLIN, FLORENCE, GUANGZHOU, HANGZHOU, HONGKONG, KUALA LUMPUR, LONDON, MADRID, MANAMA, MARRAKECH, MILAN, MUMBAI, NAGASAKI, NANKING, NARITA, NINGBO, OSAKA, PAKISTAN, PARIS, PEKING, PHOENIX, PRAHA, ROME, SINGAPORE, SUIFEN, SYDNEY, TAIPEI, TIANJIN, ULSAN, YOKOHAMA.

TO: BOLOGNA, FLORENCE, VERONA*, FLORENCE, FLORENCE, BOLOGNA, VERONA*, FLORENCE, VERONA*.

* STOP-OVER IN BOLOGNA

Tuesday's 4 p.m.
The 1,000 most-traded National Market securities in terms of dollar value, updated twice a year.
The Associated Press

[The page contains extremely faint, illegible markings and noise.]

Tuesday's 4 p.m. Close

[The page contains extremely faint, illegible text, likely bleed-through from the reverse side.]

March 28, 1995

The marginal symbols indicate frequency of quotations supplied: (d) - daily; (w) - weekly; (b) - bi-monthly; (f) fortnightly (every two weeks); (r) - regularly; (t) - twice weekly; (m) - monthly.

DRESDNER INTL MGMT SERVICES
127 Madison Avenue - 10017 - New York 17

For information on how to list your fund, fax Catherine de VIENNE at (33-1) 41 43 92 16.

MTC TELEMANAGEMENT

Passport International

MTC, the world leader in international telecommunications leading edge technology product development, is actively seeking Affiliates and Master Affiliates to distribute Passport and many other new innovative software and proprietary hardware based telecommunications products and services.

If you're currently selling dial-back services, have a professional approach, personal integrity and desire a rewarding future with a high tech leader, MTC may be looking for you.

If you have valid telecommunications products, but haven't done what it takes to operate an international sales organization with unlimited growth potential...

Contact:
MTC Affiliate Sales Department
in the United States
Tel: 1-707-749-5725 or Fax: 1-707-749-6190

CREDIT INTERNATIONAL CORPORATION

Bank and Financial Services

Foreign Currency Loans
Letters of Credit
Bank and Insurance Guarantees
Syndication Bond
High Interest Investments

FXK: +44 21 734 3919
Availability of Mandates with Power of Attorney

OFFSHORE BANKS

- Merchant/commercial bank
- Class A unregistered license
- No qualification requirements
- No taxes or treaties
- Total anonymity
- Bearer shares OK
- Immediate delivery
- Includes trust company
- Includes offshore administrative services
- Complete package US\$35,000
- Limited number of banks available

Call or fax for free detailed Ron Jensen
London Tel.: 0171 394 5157
Fax: 0171 231 9928
Canada Tel.: 504 942 6163
Fax: 604 942 3179

ESTABLISHED PLAYER IN INTERNATIONAL COMMUNICATIONS
SEEKING PARTNER TO CONDUCT RESEARCH ON CONSUMER VIEWS OF BLUE-CHIP CORPORATIONS

Write to: International Herald Tribune, 181, av. Charles de Gaulle 92522 Neuilly Cedex France, Box D419

Sculpture World™

A Goldmine
Turning Photos and Posters into Acrylic Art. Sells from \$100-\$2,000+. Huge Mark-Ups.

Not a Franchise, Low Overhead, Complete Training and Support.

"This is the Alternative to Franchising"
-Entrepreneur Magazine

Investment \$19-\$29,000* U.S.
716-691-1750
FAX: 716-691-1768

BUSINESS SERVICES

Save 50% On International Phone Calls

Here Are A Few Examples:
UK-USA Save 50%
Spain-France Save 30%
UK-Europe Save 30%
Germany-UK Save 25%

Request a FREE Info Pack for your country contact:
Tel +44-181-490-5014
Fax +44-181-568-2830
Dial Int. Telecom UK

CONCORD CAPITAL GROWTH CORP.

Rid \$6.60	US\$ Ask \$5.75
------------	-----------------

For further information contact:
EQUITY MONEY LINE REPORT
Fax: 509-46-2351
For Free Investment News

International Herald Tribune ads work

CANADA

BE AMONG THE PRIVILEGED!

Our firm of Immigration Consultants will assist you in obtaining your permanent resident visa and in establishing yourself in Canada. We will forward you an application for immigration to fill out as well as an informative booklet on life in Canada.

Please send us 10 International Union/Postal coupons (available in Post Office), for the opening fees, as well as your name and address.

INTRA → CANADA
IMMIGRATION, INVESTMENT & EMPLOYMENT CONSULTANT
301 Rene-Levesque West, Suite 1109-H, Montreal, Canada H3B 1X1

Live in the country with the world's highest standard of living.

FUNDING PROBLEMS?

BANKABLE GUARANTEES TO SECURE FUNDING
REAL ESTATE-BUSINESS-LOCAL TERM LOANS
COLLATERAL SUPPORT GUARANTEES

DISCRETIONARY PRIVATE BANKING
Trust & Investment Services
COMFORTABLE PASSBOOK ACCOUNTS
Prove Availability at Funds
Increase Asset Base. Double Income
DOCUMENTARY LETTERS OF CREDIT
(Commission Earned Only Upon Funding)

BANCOR OF ASIA
Fax: (63-2) 810-3294
Tel: (63-2) 894-5358 & 810-2670
Brokers' Commission Assured

3,500 years old and still going strong!

Natural protection against stress, cholesterol, mental and physical fatigue.
Purity of quality guaranteed by 845-year old European institution.

Agents and Distributors invited worldwide.

Ginseng Consortium
Call or Fax USA today.
Tel. 1-813-593-9990
Fax 1-813-593-9991

ARGENTINE REPUBLIC SANTA FE PROVINCE

EXTENSION OF THE INTERNATIONAL REPUBLIC BID N° 006
TREASURY AND FINANCE MINISTRY PROVINCIAL EXECUTORY UNIT NATIONAL MINISTRY OF THE INTERIOR PROGRAM OF FINANCIAL IMPROVEMENT AND ECONOMIC DEVELOPMENT OF ARGENTINE PROVINCES

WORK TO BE CARRIED OUT.
NEW CHILDREN HOSPITAL IN SANTA FE CITY

NEW OPENING DATE.
17 APRIL 1995 - 10:30 A.M.

AT THE "SALON BLANCO" OF THE HOUSE OF GOVERNMENT
ADDRESS, CALLE 3 DE FEBRERO 2651 - FIRST FLOOR
SANTA FE - ARGENTINE REPUBLIC

- Qualified bidders can request further information from the office of the Provincial Executory Unit, Avda. Presidente Illia 1151, Plao 8. Tel: (54) 42-500436.
- Offers will be received up to 10 A.M. on 17 April 1995, the opening date, at the Reception of the MCSH, House of Government, First Floor, Calle 3 de Febrero 2651, Santa Fe, Argentine Republic.

ARGENTINA General Tax Directorate INTERNATIONAL COMPETITIVE BIDDING

Through the United Nations Office of Project Services in the City of New York, equipment for the implementation of data networks such as hubs, pads, routers, modems, Ethernet board, etc. will be acquired, with financing from loan SIFR 3460-AR.

Eligible bidders should be manufacturers' authorized representatives with extensive technical support coverage. Duly appointed representation in Argentina for any brand offer is mandatory.

Qualified bidders should notify their intent to participate in writing to:

DGI - SEPRAT
H. Yrigoyen 370, 1st floor, Room 1055
(1086) Buenos Aires, Argentina
Re: ICB - 02/95
Fax: +54-1-331-3449

INCORPORATE IN THE USA

DELAWARE LLCs

For as little as **\$79** Plus state fees

(302) 652-4800
FAX 302-652-6760

CorpCo

NEW YORK CITY

Regularly Appointed Offices for the demanding Executive... in the heart of Manhattan

ALLIANCE

Business Centers

Professionally Staffed, Furnished & Equipped Offices & Suites

230 Park Avenue
Premier USA address
(212) 972-5700 Fax: (212) 808-3020

INTERNATIONAL FRANCHISE OPPORTUNITIES

Master Franchises Available



Ziebart TidyCar is the recognized brand name for a successful automotive aftermarket business in 41 countries.

Professionally applied and installed products and services for Detailing, Accessories, and Protection are our specialty. We meet the strong consumer demand for cars that look better and last longer.

Extensive initial and on-going training, marketing, advertising, and technical support is provided.

Master Franchises are available to qualified individuals or companies looking to diversify. For more information, please contact:

Ziebart International Corp.
P.O. Box 1290 • Troy, MI 48007-1290 USA
TEL: 1-810-588-4100 • FAX: 1-810-588-0718

SUNQUEST WOLFF TANNING EQUIPMENT

Australian Gold Tanning Products
Caribbean Gold Tanning Products
Tanning Table/Body Wraps
Exclusive Distributorships

ETS, Inc. has distributorships available for the world's largest distributor of tanning equipment & world's fastest selling tanning products and accessories are now available. Tremendous opportunity for self-motivated persons interested in owning their own business. Minimum investment \$10,000.

ASK ETS:
Mr. Glenn
Tel: 1-317-296-4962 or 800-228-6232
Fax: 1-317-329-4619 U.S.A.

OFFSHORE BANKS ST. KITTS & NEVIS

International Business Companies
Asset Protection Trusts
Tax Free Domestic

GLENFORD HAMILTON & ASSOCIATES LIMITED
Miriam House, 5 Lozac Road
P.O. Box 480, Basseterre, St. Kitts
West Indies
Fax: 1-809-465-1147

OFFSHORE BANKS INSURANCE COMPANIES COMPANIES & TRUSTS ASSET PROTECTION IMMIGRATION / PASSPORTS TRADE / FINANCE

ASTON CORPORATE TRUSTEES LTD

19 Peel Road, Dorset
Isle of Man, IM1 4LS
Tel: 01624 828891
Fax: 01624 828120
London Tel: (171) 222 8888
Fax: (171) 231 1519

Airline CIGARETTES WANTED!

Exclusive Importers for First Class American Blend Cigarettes made in the EU. US\$ 0.10 per pack of 20 Cigarettes.

For Manufacturer for distribution call
Fax No. 0043 2282 41-588

Offshore Companies and Bank Accounts

- Limited company
- Non-resident shareholders and directors
- Full offshore administrative services
- No taxes
- Bank account in any major currency

Contact: Dominion J. Fawcett, FCA
Tel.: +49-40-27-79631

TELECOMMUNICATIONS

\$\$\$ SAVINGS on International Calls!

Works from homes, offices, hotels
"Universal Phone System"

TELECOM NETWORK, INC.

Tel: 305-975-2588
Fax: 305-975-1873
Agents welcome.

INCORPORATE IN TAX-FRIENDLY DELAWARE USA

For as little as **\$99** plus state filing fees

Special ordering by fax or phone
FAX: 302-421-5753
TEL: 302-421-5752

American INCORPORATORS LTD

FIRMS: Facing Declining Profit After a Disastrous 1994, Wall Street Looks Outside for Helping Hands

Continued from Page 11

them has this comment: "One way to avoid the big squeeze is to be acquired."

Maybe it had to end this way. The financial follies of the last year — from phantom bond trading profits at Kidder, Peabody Group Inc. to derivatives trading fiascos that bankrupted a California county and a British banking company — battered the reputations and bottom lines of some of Wall Street's proudest investment houses.

Beyond those scandals, larger forces were pummeling Wall Street's profits. The sharp rise in interest rates last year contributed to the bond market's collapse and to a drop-off in the industry's underwriting business. In the retrenchment that followed, thousands of traders and executives were laid off and the survivors often saw their bonuses slashed.

Last week, Lehman Brothers Inc. had several billion dollars of its debt downgraded by Moody's Investors Service Inc., and there is speculation that other firms will soon meet similar fates. On Tuesday, Standard & Poor's Corp. put six securities firms on warning that their ratings outlooks were negative and said Lehman's remained in that category.

"Turbulent conditions continue to plague the global capital and currency markets," S&P said, "exposing most of these firms to volatile trading results that could further aggravate operating performance already depressed by reduced volumes and lower margins in core businesses." The firms affected were Bear Stearns Cos., CS First Boston Group Inc., Goldman Sachs Group L.P., Morgan Stanley Group Inc., Paine Webber Group and Salomon Inc.

Competition on Wall Street promises to get more intense as the legal barriers crumble between commercial and investment banking. The prospect is leaving some firms feeling more vulnerable than ever — and is spurring them to scramble for ways to get bigger and stronger. The biggest and most profitable securities houses, such as Merrill Lynch & Co., Morgan Stanley and Goldman Sachs are less affected by the tough business climate. But for the smaller firms, there are plenty of potential buyers.

One acquisition-minded foreign company is International Nederland Groep NV, which rescued Britain's 233-year-old Barings PLC from collapse this month after a Barings trader was blamed for losing more than \$1 billion betting on Japanese stocks and bonds.

In buying Barings, ING acquired a 40 percent stake in Dillon, Read, and some people

speculate that its ambition for a bigger presence on Wall Street may lead it to bid for a bigger stake, or to make a play for another firm, or both.

For their own reasons, the owners of some investment houses are ready to sell. Insiders at Donaldson, Lufkin & Jenrette say the company has had informal discussions with commercial banks interested in buying into their company; the same is true at Oppenheimer.

Wall Street's recent troubles are bound to make buyers cautious, however. So is the troubled recent history of Credit Suisse's foray onto Wall Street. In 1990, the giant Swiss bank acquired a majority stake in First Boston Corp., which it renamed CS First Boston. Altogether, it has pumped nearly \$800 million into its American unit, with lackluster results.

Nevertheless, 1995 is shaping up as a propitious year for big banking groups with lots of cash to make their move. "You're not getting consolidation, so much as survivors," says James P. Hanbury, an analyst who follows the brokerage industry for Wertheim Schroder & Co.

Here is a look at the prospects for five firms that could make news this year:

• **Donaldson, Lufkin & Jenrette** would like to find a way of increasing its capital, while retaining as much of its independence as possible. A commercial bank buyer or investor, particularly a foreign bank, might well fit the bill, staffers say.

"DLJ may trade because it's a hot firm, and it looks better than anything else out there," said a former Lehman Brothers partner who follows the brokerage industry.

That is partly because the firm has recently been more successful than most of its peers. It made \$205 million in pretax profit in 1994, when many competitors reported losses, comfortably outperforming the average for the industry.

Its profitability makes this an attractive time for the firm's owner, Equitable Cos., to sell. Indeed, the brokerage house S.G. Warburg & Co. recently cited "the possible sale of DLJ in 1995 or 1996" as one reason for recommending Equitable stock to its clients.

A spokeswoman for Equitable said the company did not comment on rumors.

John S. Chalsty, Donaldson,

Lufkin's chairman and chief executive, has been reluctant to talk about the possibility of a sale. However, he has reminded colleagues that the firm, as an independent business, is earning good returns for its owners and has added that it is always nice to have strong capital backing. DLJ, which has equity capital, and net book value, of \$1 billion, would sell for between 1.5 and 2 times that amount, analysts estimated.

• **Oppenheimer Group** has talked to ING about the possibility of being acquired by the Dutch financial conglomerate, according to people at both companies. Oppenheimer's chairman, Stephen Robert, and its president, Nathan Gantcher — who together control some 40 percent of Oppenheimer, according to a company insider — are said to be interested in selling their stakes.

"They've built the business and now they want to cash out," said the insider, who assumes a prospective buyer would want

Mr. Robert and Mr. Gantcher to stay on under a management contract.

ING, one of Europe's 10 biggest financial businesses, is apparently eager to expand in America's financial capital, not least because it does so much trading in New York after European markets close. Oppenheimer, with a sizable trading business, would fit that need.

In addition, Oppenheimer has built a considerable Latin American equity research business that is particularly attractive to ING, which has assembled a vast network of businesses in developing nations over the last decade. ING's recent acquisition of Barings, however, has delayed any potential purchase of Oppenheimer, Wall Street analysts say.

• **Dillon, Read**, once one of the biggest investment houses and still a strength in corporate finance, expects to buy back the 40 percent of its shares that are currently owned by ING.

For the moment, ING is preoccupied with its takeover of Barings, but the Dutch company still has big ambitions for the U.S. markets, leading to some speculation that it may wish to hold onto the stake or could even seek to acquire Dillon, Read.

ING also may offer the stake to other interested parties, despite Dillon, Read's stated desire to buy the holding back. Dillon, Read insiders said they were confident they would be able to buy back the stake and tended to rule out the possibility that ING might turn around and buy their company. Its U.S. corporate finance focus would not be attractive to ING, they said.

• **Lehman**, which insiders said wanted to maintain its in-

dependence, faces several problems: It needs capital to compete with the biggest companies in the industry, and it has had trouble with internal upheaval.

Also, Moody's last week downgraded the company's senior debt to Baal from A3, pushing up its financing costs on several billion dollars of debt by at least \$50 million a year.

The rating agency cited concerns about the greater risks that Lehman might take to increase profits in these leaner times. Such concerns make other Wall Street firms vulnerable, some analysts said. "If you downgrade Lehman, you've got to look at downgrading Salomon," said Mr. Hanbury of Wertheim Schroder.

A string of departures has

also recently weakened the company's research team, previously one of its trophy assets.

Fred Frankel, head of Lehman's equity research business, took some of the blame for Lehman's slide to ninth place from second in institutional investor's ranking of the best research firms; he left the firm in February.

Many other analysts — as many as one-fifth, according to one estimate — have flown the coop in the last six months. Mr. Frankel, who just furman Selz Inc. as head of that firm's equity research, discounted the notion that Lehman might be sold soon. He said he thought it would succeed in its desire to remain independent.

"Investment banking is a very cyclical business," Mr. Frankel said, meaning that several brokerage houses — including Lehman — now face

huge challenges because of the downturn in business.

Deutsche Bank AG and Union Bank of Switzerland looked over Lehman when American Express Co. was seeking to sell the company, but decided that such a takeover was not for them.

• **Salomon** suffered its worst year ever in 1994 with losses of almost \$400 million and recently has had egg all over its face. The giant investment firm, New York's premier bond trader, twice last month had to acknowledge undisclosed charges totaling \$175 million related to accounting mistakes. This debacle came after 1993's spectacular \$827 million net income.

To be sure, Salomon, with common equity of more than \$4 billion, and with Warren E. Buffett holding 20 percent of that amount, is not likely to be a takeover candidate.

INTERNATIONAL CLASSIFIED MARKETPLACE

- Monday International Recruitment
- Tuesday Education Directory
- Wednesday Business Message Center
- Thursday International Conferences and Seminars
- Friday Real Estate Marketplace, Holidays and Travel
- Saturday Arts and Antiques

Plus over 300 headings in International Classified Monday through Saturday

For further information, contact Philip Orin in Paris: Tel: (33-1) 41 43 93 36 - Fax: (33-1) 41 43 93 70.

Herald Tribune
THE WORLD'S DAILY NEWSPAPER


UNIDO Zanzibar


International Investors Forum
25 - 28 April 1995

Unique opportunities for investment in:

- Agro - Industry
- Tourism
- Manufacturing
- Trade
- Transport

For more information and investment project profiles, please contact:

United Nations Industrial Development Organization (UNIDO)
The Director, Investment Service
P.O. Box 300
A-1400 - Vienna, Austria
Tel: (43-1) 21 131 4827/4866
Fax: (43-1) 21 131 82 80
E-mail: E654214@UNIDO.1.Bttnet/

The Executive Secretary
Zanzibar Free Economic Zone Authority (ZFEZA)
P.O. Box 305
Zanzibar
Tel: (255-54) 33697/9
Fax: (255-54) 33698/9

Next UNIDO INVESTORS' FORUM in Africa:
ACCRA, GHANA: 27-30 June 1995

CURRENCY AND CAPITAL MARKET SERVICES

24
0171-865 0800

Daily Fax Service
Competitive Rates
London Dealing Desk

EST. 1989
CAC

REUTERS 1000
VITAL FINANCIAL INFORMATION DIRECT TO YOUR PC - 24 HOURS A DAY

CNN/REUTERS Call: 44 71 916 8851 or Fax: 44 71 916 8852

COMPLIMENTARY REPORT
What are the most effective solutions to making money in today's currency and financial markets?
I have reviewed the performance of over 1000 advisors and trading systems, and prepared a detailed report on what business is the most profitable.
For your free copy, U.S. Fax: 714-499-8136 U.S. Voice: 714-499-8131
Outside U.S. Fax: 44-71-916-8851 U.S. Voice: 714-499-8131
Chicago Mercantile Exchange Center 30 S. Wacker Drive # 1912, Chicago, IL 60606, U.S.A.

MANAGED ACCOUNTS
Currencies, Interest Rates, Metals, Stock Indices Individual Managed Accounts run by professionals 1995 projected profits 50% based on past 5 years over half a century of experience minimum investments US\$50K
BROKERAGE SERVICE
All major Exchanges from US\$15 R/T
F.X. 24HRS S/D/M 5 p.m. EST. All 1st and 2nd order currencies
MARKETBOROUGH ASSET MANAGEMENT LIMITED
R.V.L. TEL: 1 800 494 5810 - FAX: 1 800 494 5216
AUSTRIA TEL: 43 662 8681 406 - FAX: 43 662 8681 111

Chrison & Co.
New York
Commercial Funding Placement
For International Projects
Brokers welcome
Tel: (516) 873-7200
Fax: (516) 873-7201

For further details on how to place your listing contact:
WILL NICHOLSON in London
Tel: (44) 71 836 48 02
Fax: (44) 71 240 2254
Herald Tribune
The World's Daily Newspaper

EDUCATION IN ITALY

THE AMERICAN UNIVERSITY OF ROME

DEGREE PROGRAMS
A.A. Interdisciplinary Studies
A.A.A. Business Administration
B.B.A. International Business
B.A. International Relations
B.A. Italian Studies
B.A. Interdisciplinary Studies

SUMMER SESSIONS
SEMESTER STUDY ABROAD PROGRAM
HOUSING IN STUDIO APARTMENTS
The American University of Rome is accredited by the American Council on Education for independent Colleges and Schools and is affiliated with major U.S. institutions.

For further information contact:
American University of Rome
Dept. 801, Via Pietro Roselli 4-00185 Rome, Italy
Tel: 06/583 30919 - Fax: 06/583 30922

LEARN ITALIAN IN SIENA
Group: individual language and culture courses. Accommodation upon request
Centro Internazionale DANTE ALIGHIERI
La Lizza, 10 - 53100 Siena. Tel.: 0577-46421. Fax: 0577-270846

UNIVERSITA' PER STRANIERI DI SIENA

- Corsi di Lingua e Cultura Italiana
- Corso di Diploma per traduttori e interpreti (in Italiano)
- Corso di Diploma per l'Insegnamento dell'Italiano a stranieri

Via Pantaneto, 45 - 53100 SIENA (Italia)
Tel (**39-577) 24 01 11 - Fax (**39-577) 28 10 30

JOHN CABOT UNIVERSITY

Study in Rome

- **AMERICAN UNIVERSITY DEGREE PROGRAMS**
Open to students of all nationalities. Offering bachelors and Associate Degrees in Business Administration, International Affairs, English Literature and Art History.
- **AMERICAN LANGUAGE PROGRAM**
Intensive English Language program for students who need to perfect their English before university entrance.
- **SUMMER SESSION (JUNE 26 - JULY 28, 1995)**
Course offerings in Italian history and culture, liberal arts and business studies. Also open to visiting students.
- **QUARTER CALENDAR**
Applications are accepted for entry in September, January and April Quarters, plus Summer Session which begins in late June.
- Small classes, outstanding location, honors programs, internship opportunities, field trips and student activities.

Affiliated since 1972 with Hiram College in Ohio.
Approved by the Delaware Dept. of Public Instruction.
Authorized by the Italian Ministry of Public Education.

For more information contact:
JOHN CABOT UNIVERSITY
Via delle Lungare, 233 - 00166 Rome, Italy
Tel: (+39-6) 667 8881 Fax: (+39-6) 683 2088.

1994-1995. It is the first private Italian University of Design. It has more than 40 years of experience, it has educated more than 6.200 professional Designers of 37 Nations.

Polytechnic of Design SPD

Founded by N. Di Salvatore in 1954. Gold Medal at the Xth International Triennale in Milan. Exhibited at the Universal Exhibition in Montreal; ICSID World Congress at Milan. Exhibited at the Universal Biennale of "Arts and Sciences" in Venice, 1986; Kyoto in 1972; XLII International Biennale of "Arts and Sciences" in Venice, 1990; "Netz Europa" Centre Georges Pompidou, Centre de Creation Industrielle, Paris, 1990; "Netz Europa" Linz, Barcelona, Düsseldorf, Zurich, 1994 and 1995; "Fair Korea '95", Seoul, 1995.

20126 Milan, Italy. Viale Monza, 259. Tel. 02.2576551. Fax 02.27000296.

To boost their professional qualifications and prospects of rewarding management posts, graduates are strongly recommended to attend our specialized annual, intensive Master courses in Industrial Design, Transport Design, Furniture Design and Visual Design.

Founded in 1954, the "Politecnico di Design" offers the rich expertise of forty years' experience. Its teachers are among the best international designers. Regular lessons are attended by small groups, in a relaxed, international atmosphere. Advanced studies and research receive guaranteed support from industry. Master courses commence 1 October 1995 and end 15 June 1995. Requests for further information are welcome. Tel. 02 / 25 76 551. Fax 02 / 27 000 296.

THE INTERNATIONAL SCHOOL OF ART IN UMBRIA, ITALY
06057 Montecassiano di Viterbo (PG) ITALY
Tel/Fax: 39 75 8780223

In North America c/o Hibiscus Study Tours
77 High Park Blvd., Toronto ONT M6S 1M5
CANADA. Tel/Fax: 416 537 1975

Nicholas Carone and Helen Treisman
Directors of the International School of Art in Umbria
Drawing, Painting & Sculpture in Umbria in the town, 2 hrs from Rome & Florence.
Instruction and critiques by renowned international artists. Trips to Rome, Florence, Siena, Assisi, Perugia.

Call or write for brochure

Send for a free copy of the
INTERNATIONAL EDUCATION GUIDE

Write to:
Kimberly Guerrand-Belancourt
International Herald Tribune
181 Avenue Charles-de-Gaulle
92521 Neuilly Cedex, France.

LVMH
MOËT HENNESSY . LOUIS VUITTON

1994 NET INCOME UP 23.4%

1994 consolidated net income of LVMH Moët Hennessy Louis Vuitton amounted to FF 6,421 million, an increase of 79.7% over 1993. It includes significant unusual income, primarily from the restructuring of the Group's relationship with Guinness PLC. Excluding these unusual items, net income totaled FF 3,667 million, up 23.4% over 1993.

Net sales for 1994 amounted to FF 27,967 million, up 17.4% over 1993. Income from operations totaled FF 6,804 million, up 21.2%, reflecting higher margins in all of the Group's segments of activities.

Consolidated highlights were as follows

In FF millions	1994	1993
• Net sales	27,967	23,819
• Income from operations	6,804	5,614
• Net income	6,421	3,574
Net income, excluding unusual items	3,667	2,972

The recovery begun in 1993 in most of LVMH's markets accelerated in 1994. It resulted in higher sales for the Group - which generates 85% of its sales outside of France - in all segments of activities and in all geographical markets, with particularly strong growth in the fourth quarter. This upward trend continued in January and February 1995.

By segment of activity, the major highlights of 1994 were:

By segment of activities

In FF millions	Sales		Income from operations	
	1994	1993	1994	1993
• Champagne & wines	5,712	5,444	837	776
• Cognac & spirits	5,987	5,846	1,969	1,910
• Luggage & leather goods	6,716	5,665	3,090	2,318
• Perfumes & beauty products	7,686	6,128	1,113	852
• Other, including holding company expenses	1,866	736	(205)	(242)
LVMH TOTAL	27,967	23,819	6,804	5,614

Champagne & wines: Moët & Chandon, Veuve Clicquot, Ruinart, Mercier, Canard-Duchêne

The 8% increase in income from operations reflects higher sales as well as lower grape prices and production costs. While the environment remains very competitive, the champagne market is recording an overall expansion.

Cognac & spirits: Hennessy, Hine, F.O.V.

The slight improvement in operating margin primarily reflects higher sales volumes, notably in China.

Luggage & leather goods: Louis Vuitton, Loewe, Berluti

The dramatic increase in sales and ongoing productivity gains at all levels of the organization led to a 33% rise in income from operations. The success of new product lines was confirmed.

Perfumes & beauty products: Christian Dior, Guerlain, Givenchy, Kenzo, Christian Lacroix

The 31 % increase in income from operations, achieved despite considerably higher advertising and promotional expenditures, reflects the success of recent launches and the popularity of the segment's new products, notably Tendre Poison and Dior Svelte at Parfums Christian Dior, Fleur d'Intéridit and Insensé Ultramarine at Parfums Givenchy, and Kashaya de Kenzo. The integration of Guerlain and Kenzo also contributed to the increase in sales.

Guinness PLC, in which LVMH is the largest shareholder with a 20% interest, recorded a 6% increase in net income.

In addition, a number of transactions completed during the year considerably enhanced the Group's financial structure. Total stockholders' equity rose by FF 11.6 billion to FF 35.3 billion at 1994 year end. Net financial borrowings declined from FF 15.8 billion at 1993 year end to FF 3.4 billion at 1994 year end. As a result, the Group's debt-to-total assets ratio stood at 5% at 1994 year end. As a result, net financial expense declined by 44% in 1994, and is expected to be cut in half in 1995.

In 1995, economic growth should continue in LVMH's major markets and the Group will pursue aggressively the implementation of its long-term growth strategy based on balance and complementarity among its various brands and activities. If the trends recorded since late 1993 persist, the LVMH Group should continue to record sustained growth in its activities and meet its goal of achieving a very significant increase in 1995 net income.

The Board of Directors will propose to the Annual Meeting of Shareholders of June 8, 1995 the distribution of a FF 17.50 net dividend per share payable June 19, 1995.

LVMH, THE WORLD'S LEADING LUXURY PRODUCTS GROUP

France to Ease Advertising-Ban Law That Led to Many TV Sports Blackouts

Panel 1: A cow is in a kitchen, looking at a hamburger on a counter. A speech bubble says: "Wanted ... I'm not content."

Panel 2: The cow is eating the hamburger. A speech bubble says: "AND BRING ME SOME OF THOSE SWEET PICKLE CHIPS AND A BATCH OF STEAK FRIES."

Panel 3: The cow is finished and looks satisfied. A speech bubble says: "OH WOW, THIS SOUNDS TOO GOOD TO BE TRUE!"

Panel 4: The cow is still in the kitchen, looking thoughtful. A speech bubble says: "HEY, THAT'S YOUR CUSTOMER'S HAMBURGER! MAKE HIM ANOTHER ONE—THIS BABY'S MINE!"

150

New Zealand Gains Semis

Mighty Mary Triumphs To Tie Stars & Stripes

Compiled by Our Staff From Dispatches
SAN DIEGO — Team New Zealand, behind its astonishing 29-1 record, has secured a berth in the challenger finals of the America's Cup by beating Tag Heuer Challenge, while Dennis Conner's Stars & Stripes faced yet another challenge.

Team New Zealand jumped off the mark with an aggressive start Monday that took Black Magic 1 around the first buoy 51 seconds ahead of Tag Heuer. Even a problem with the headstay didn't prevent it from winning by 1 minute, 28 seconds.

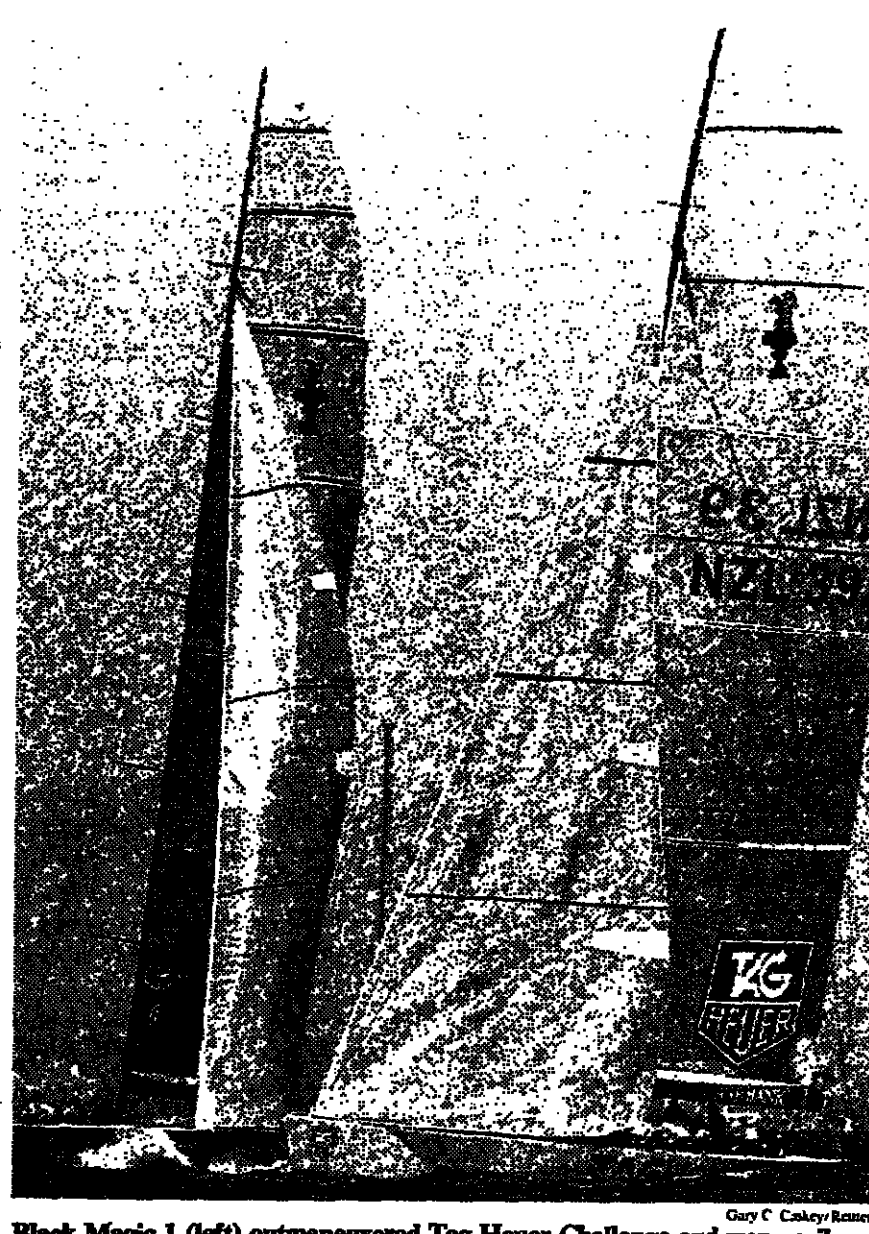
One Australia forced Nippon over the line before the start and sped off to a victory of 1:10 that moved the Australians one point ahead of Chris Dickson's Tag Heuer in the Louis Vuitton Cup standings with five races left.

On the defender course, the America's syndicate's Mighty Mary ended Young America's unbeaten run in the semifinals with a 38-second victory and drew even with the damaged Stars & Stripes.

Conner's crew, meanwhile, was racing the clock to replace a fractured keel fin and repair serious hull damage in time for Tuesday's race against Mighty Mary.

"Having America's win a race today didn't help our cause," said Stars & Stripes' helmsman, Paul Cayard.

He said the crew would work straight through a second night on the repairs. Stars & Stripes took on water and dropped out of Sunday's race with Young America because of the damage, and Cayard said it was thought that the yacht was first damaged by heavy swells during last Friday's victory over Mighty Mary. (Reuters, AP)



Black Magic 1 (left) outmaneuvered Tag Heuer Challenge and won easily.

Baseball's Owners Offer Concessions

Offer Follows Court-Set Friday Hearing on Labor Charges

Compiled by Our Staff From Dispatches
NEW YORK — After a three-week lull, talks involving the owners of major league baseball and their striking players sprang to life just hours after a federal judge scheduled a hearing for Friday that could lead to the end of the strike.

Judge Sonia Sotomayor of U.S. District Court, who was assigned the case Monday, could issue a preliminary injunction that would end the 7½-month strike hours before the season is set to start Sunday night with replacement players.

A few hours after Sotomayor's 30-minute scheduling session, players and owners returned to the bargaining table for the first time since March 4, with management proposing to play the season under the old business rules.

"I would say to you after a lot of agonizing that this proposal is much less than the clubs hoped to achieve," the acting commissioner, Bud Selig, said. "But the clubs recognize that we are at the point in this dispute where both sides must swallow hard to make an agreement."

Under this proposal, starting next year the portions of payrolls above \$44 million, or 108 percent of the average, would be subject to a 50 percent luxury tax. The threshold where the tax would begin is \$3.3 million, or 8 percent more than the owners' previous proposal.

The owners, using many of the recommendations Feb. 7 made by the special mediator, Bill Uster Jr., also offered either to keep the current system of salary arbitration and free agency or to eliminate arbitration and lower the threshold for unrestricted free agency from six years to four. If arbitration is kept, they proposed having a panel of three arbitrators hear each case, instead of one.

In their last offer, owners wanted to eliminate arbitration in exchange for re-

stricted free agency for those with four to six years of service.

The economics are changing and getting more negative on a daily basis," Selig said at a late-night news conference. "And that's why we strained to make this offer. But after the season starts, Sunday night, we can't any more calculate what's going to happen. So this offer has got to be accepted by this weekend."

The union's last proposal was for a 25 percent tax on portions of payrolls above 133 percent of the average.

Union officials did not hold a news conference, and the head of the Players Association, Donald Fehr, said only, "I'll get back to Bud tomorrow."

But some on the players' side indicated they were disappointed that Selig said during the meeting that the offer was as far as management could move. Others considered that just a normal bargaining posture.

At the courthouse in Manhattan earlier in the day, Sotomayor asked the owners for a brief by Wednesday, "concentrating on whether the Sunday deadline is significant," and she asked the National Labor Relations Board for a response by the following day.

The players said they would end their strike if Sotomayor issued the injunction, and the union's executive board is scheduled to convene Wednesday in New York to formally pass a resolution stating that.

Many owners are in favor of locking out players if the union ends the strike without an agreement. But it is unclear if they can get the 21 votes among the 28 teams needed to start a lockout.

Daniel Silverman, the New York regional director of the Labor Relations Board, asked Sotomayor to proceed quickly, hoping players would return if the judge "lev-

eled the playing field." The board asked for a preliminary injunction that would force owners to restore the free agent bidding and salary arbitration provisions of the expired labor agreement.

Frank Casey and Chuck O'Connor, lawyers representing the owners, emphasized their view that an injunction would not affect the strike, while urging the judge to take her time reaching a decision.

"Under federal labor law, what happens in this proceeding has nothing to do with the strike," Casey argued in court.

The owners, who want to eliminate the old rules, say they have a right under labor law to have the Player Relations Committee, which represents all 28 clubs, negotiate a collective wage for all free agents.

"We simply do not know what the government is talking about," Casey said.

In a related matter, the union said it had filed a grievance last Friday with the arbitrator George Nicolau, asking that all unsigned players be made free agents. Just 236 of the 1,069 players on 40-man rosters are signed.

In Washington, the Senate Judiciary Committee's chairman, Orrin G. Hatch, Republican of Utah, introduced another bill that would partially dismantle baseball's antitrust exemption.

Under the bill, the exemption would remain in areas relating to the amateur draft and the major leagues.

The bill is co-sponsored by three Democratic senators: Daniel Moya of New York, Bob Graham of Florida and Pat Leahy of Vermont, and another Republican, Strom Thurmond of South Carolina.

Governor Parris Glendening signed a Maryland law that bars replacement players from taking the field at Oriole Park at Camden Yards, the Baltimore major-league stadium. (AP, NYT, WP)

SCOREBOARD

BASKETBALL

NBA Standings

EASTERN CONFERENCE				WESTERN CONFERENCE			
Atlantic Division				Pacific Division			
Orlando	22	17	56%	Phoenix	22	17	56%
New York	21	18	54%	Seattle	21	18	54%
Miami	20	19	51%	Portland	20	19	51%
New Jersey	19	20	48%	Sacramento	19	20	48%
Boston	18	21	46%	Golden State	18	21	46%
Philadelphia	17	22	43%	L.A. Clippers	17	22	43%
Washington	16	23	41%				
Central Division				Mountain Division			
Indiana	22	17	56%	Utah	22	17	56%
Charlotte	21	18	54%	Dallas	21	18	54%
Cleveland	20	19	51%	San Antonio	20	19	51%
Chicago	19	20	48%	Denver	19	20	48%
Atlanta	18	21	46%	Phoenix	18	21	46%
Memphis	17	22	43%	Los Angeles	17	22	43%
Detroit	16	23	41%				

HOCKEY

NHL Standings

EASTERN CONFERENCE				WESTERN CONFERENCE			
Atlantic Division				Pacific Division			
Montreal	22	17	56%	Edmonton	22	17	56%
Quebec	21	18	54%	Calgary	21	18	54%
Ottawa	20	19	51%	Vancouver	20	19	51%
Toronto	19	20	48%	San Jose	19	20	48%
Philadelphia	18	21	46%	Los Angeles	18	21	46%
Washington	17	22	43%	Phoenix	17	22	43%
Central Division				Northwest Division			
St. Louis	22	17	56%	Colorado	22	17	56%
Chicago	21	18	54%	Minnesota	21	18	54%
Buffalo	20	19	51%	Seattle	20	19	51%
Carolina	19	20	48%	Portland	19	20	48%
Florida	18	21	46%	Vancouver	18	21	46%
Pittsburgh	17	22	43%	San Jose	17	22	43%

SIDELINES

Japanese BOC Sailor Is Found Safe

PORT STANLEY, Falkland Islands (Reuters) — Minoru Saito, the Japanese sailor in the BOC challenge with whom contact was lost 25 days earlier, has been sighted off the Falklands by a fishery patrol vessel, officials said Tuesday.

Although he had lost the use of his autopilot and cannot raise his main sail, Saito intended to continue directly to Punta Esra in Uruguay without stopping in the Falklands.

But Henry Mitchell, the 70-year-old English sailor, still had not been contacted. He was last heard from a month ago.

Sumo Coming to Vienna and Paris

TOKYO (AP) — A contingent of sumo wrestlers that will include the grand champions Takanohana and Akebono, kimonoed referees and the rest of the supporting staff will put on exhibitions in Vienna and Paris in October, officials said Tuesday.

A "Grand Sumo Gala in Vienna" on Oct. 8 at the 4,000-seat Austria Center will be followed by an Oct. 13-15 tournament in Paris, the chairman of the Japan Sumo Association said.

For the Record

Paul Gascoigne, the English international and Lazio midfielder who broke his leg a year ago, has been given approval by doctors to resume playing again in two weeks time.

Claude Bezz, the former president of the French soccer club Bordeaux, was sentenced to a year's imprisonment, with two more suspended, by an appeals court, at his embezzlement trial in January. Bezz received a two-year jail sentence with one year suspended.

Alan Davies, the first Welsh coach to preside over five straight defeats, assistant Gareth Jenkins and team manager Rob Norster all resigned after a meeting with the Welsh Rugby Union's general committee.

John Muckler, the coach of the Buffalo Sabres, was suspended for three games and fined \$10,000 by the NHL for allegedly slapping a fan following a March 19 loss to Tampa Bay.

Diane Modahl, the 800-meter runner expected to file an appeal next month against a four-year ban for drug use, is expecting a baby in October, her husband, Vicente, said in London.

Monica Seles's psychologist, Jerry Russell May of Reno, Nevada, testified at her assailant's re-trial in Hamburg that the tennis player suffers from post-traumatic stress disorder.

UCLA owns 10 championship banners, North Carolina has won three and Oklahoma State won two in 1945 and '46 before any of its current players.

and many of their parents, for that matter — had been born.

The Cowboys' Eddie Sutton is the only coach to make the NCAA tournament at four schools, having gotten there before with Creighton, Arkansas and Kentucky. And he is the 11th coach to take two different schools to the Final Four, having made it in 1978 with Arkansas.

"It's been a long while, and I've had some chances, but I wasn't sure the opportunity would ever come again," Sutton said after his team beat Massa-

chusetts in the East Regional final.

A tournament that was so exciting the first weekend has grown less dramatic as it winds down. Twenty of the 48 games in the first two rounds were decided by six points or fewer, with nine settled by three points or fewer and six going into overtime. During the regionals, however, none of the games was closer than five points, with just one going into overtime.

At least the Final Four will have Arkansas, the closest thing to a guaranteed nail-biter in the tournament. The Razorbacks (31-6) won their first three games by a total of eight points, and required two overtimes, before getting a relative breather with a 68-61 victory over Virginia in the Midwest Regional final.

Ten of the previous 14 NCAA tournament champions won a game by three points or fewer, or in overtime, before reaching the Final Four. But of the four recent champions who didn't have to sweat it out on the way there, three wound up

The Final 4: They've Been There Before

By J.A. Adande
Washington Post Service

WASHINGTON — If March is the maddening month of unpredictability in college basketball, April is assuredness.

Sixty games have shaken all of the upstarts and dreamers out of the NCAA tournament and when the semifinals are played Saturday in Seattle they will feature a top seeded team in UCLA, two second seeds in Arkansas and North Carolina and a fourth seed in Oklahoma State that might seem surprising, but only if you forget that the Cowboys were the champions of the Big Eight tournament, a conference that sent five teams into the NCAA playoffs.

And Oklahoma State certainly has the historical credentials to gain admittance to the Final Four, as the semifinals are called, and which lately have largely been the domain of those with a royal lineage. For the third time in four years, all four participants have won at least one previous championship.

Last year was the exception, when only Duke had won the tournament before, but Arkansas joined the club and is back to defend its title along with a three other teams with well-established traditions.

UCLA owns 10 championship banners, North Carolina has won three and Oklahoma State won two in 1945 and '46 before any of its current players.

and many of their parents, for that matter — had been born.

The Cowboys' Eddie Sutton is the only coach to make the NCAA tournament at four schools, having gotten there before with Creighton, Arkansas and Kentucky. And he is the 11th coach to take two different schools to the Final Four, having made it in 1978 with Arkansas.

"It's been a long while, and I've had some chances, but I wasn't sure the opportunity would ever come again," Sutton said after his team beat Massa-

chusetts in the East Regional final.

A tournament that was so exciting the first weekend has grown less dramatic as it winds down. Twenty of the 48 games in the first two rounds were decided by six points or fewer, with nine settled by three points or fewer and six going into overtime. During the regionals, however, none of the games was closer than five points, with just one going into overtime.

At least the Final Four will have Arkansas, the closest thing to a guaranteed nail-biter in the tournament. The Razorbacks (31-6) won their first three games by a total of eight points, and required two overtimes, before getting a relative breather with a 68-61 victory over Virginia in the Midwest Regional final.

Ten of the previous 14 NCAA tournament champions won a game by three points or fewer, or in overtime, before reaching the Final Four. But of the four recent champions who didn't have to sweat it out on the way there, three wound up

winning a game by three points or fewer in the Final Four.

UCLA's coach, Jim Harrick, got an up-close look at that championship luck, or magic, when he was coaching Pepperdine in 1983. His team had a six-point lead with 24 seconds left to play in overtime, yet still wound up losing to North Carolina State, 69-67, in double overtime.

So maybe it was fortune tipping back in Harrick's favor when UCLA guard Tyus Edney drove the length of the court to beat Missouri in the second round this year.

"A lot of the things are coming at once," said Harrick. "I hope that we aren't satisfied with what we achieved. We set goals for our team in the early part of the year and we've achieved almost every one of them. We still would like to go to Seattle and finish the play."

Harrick's Bruins, the champions of the West Regional, will face the East Regional champion, Oklahoma State (27-9), which has a legendary coach in

its own record books in Henry Iba. Iba, a man so respected that most people — even Indiana's intransigent Bobby Knight — called him "Mr. Iba," won 767 games and guided the Cowboys to their two NCAA tournament championships.

Coach Dean Smith's North Carolina teams weren't around the two previous times the champion was crowned in Seattle's Kingdome, but he is no stranger to the Final Four — or, for that matter, this will be Smith's 10th Final Four, and his fourth appearance in the eight times the event has been held in a dome. He won the championship in the Louisiana Superdome in 1982 and 1993.

The Tar Heels (28-5) upset top seed Kentucky in the Southeast Regional final, but Nolan Richardson, the Arkansas coach, must be salivating like the hog in the Razorbacks' logo at the thought of what his team's defense can do after Kentucky's press forced the Tar Heels into 20 turnovers.

Earl led Penn State with 26 points.

The Hokies rode the 8-for-10 shooting of guard Damon Washington and a 50-37 rebound advantage to an easy victory over Canisius (21-13).

Washington, a junior, finished with 20 points and was perfect in the first half, making all five shots he took, four from behind the 3-point line.

Canisius missed eight of its first nine shots and fell behind, 17-3.

Marquette, Virginia Tech in NIT Final

The Associated Press

NEW YORK — Anthony Pieper has been up and down for his two seasons at Marquette, and Aaron Hutchins has been down his whole freshman season until five games ago.

The two were on their best up Monday night, and it got the Golden Eagles past Penn State, 87-79, and into the NIT title game.

The Golden Eagles (21-11) will play Virginia Tech, a 71-59 winner over Canisius, on Wednesday night. It will be their third championship game, their only title coming in 1970. Virginia Tech (24-10) beat Marquette, 57-54, in January in Milwaukee.

Pieper had a career-high 32 points and Hutchins matched

his career-best with 20 as the Golden Eagles rallied from a 16-point deficit and matched their season-high with 15 3-pointers.

"Pieper is the picture of consistency, 24 one game, then two, then a great game like this," said Marquette's coach, Mike Deane. "We are a poor shooting team. If we were on a camel in the middle of the desert we couldn't hit sand except for Hutchins."

Hutchins, a 5-foot, 9-inch guard, has been the hero of Marquette's NIT ride. He has scored 83 of his season total of 164 points in the last five games and is averaging 17.5 points per game in the NIT.

The Nittany Lions, who struggled from the free throw

line making 10 of their first 23, finally started making foul shots and went 8 of 10 in the final two minutes to close with 82-79 with 33 seconds left on two free throws by Danny Earl. But Pieper, Crawford and Earl made 5 of 6 foul shots to ensure victory.

Earl led Penn State with 26 points.

The Hokies rode the 8-for-10 shooting of guard Damon Washington and a 50-37 rebound advantage to an easy victory over Canisius (21-13).

Washington, a junior, finished with 20 points and was perfect in the first half, making all five shots he took, four from behind the 3-point line.

Canisius missed eight of its first nine shots and fell behind, 17-3.

CROSSWORD

ACROSS
1. Quilt (6)
5. Greenish-blue wavy south of Gainesville (10)
14. Pinom (4)
16. Sonoran snacks (8)
17. Inconclusive (6)
20. Shade maker (6)

15. Unforced (4)
21. State frankly (4)
23. Middlemore (8)
25. IBM's and clones (6)
26. Pyramids, e.g. (4)
28. Weaned pig (4)
30. Ogles (4)
32. Complete failure (4)
33. Lyric for an (4)
34. Author Falstaff (4)
36. Attempt to impress, as in conversation (4)
41. Set looks? (4)
42. Wastes time (4)
43. Jargon suffix (4)
44. Trans-Siberian Railroad stop (4)
45. Garb (4)
46. Quickly, quickly (4)
48. Magnitude, e.g. (4)
49. What an (4)
50. Inconclusive would like to do, mainly (4)
52. Alternative to (4)
53. Rake (4)
54. Bump into (4)
55. Grow in intensity (4)
56. A-one (4)
57. Whitpool (4)

7. Naval letters (4)
8. Size up (4)
9. Mayberry set (4)
10. Sly (4)
11. Cry in Coleridge (4)
12. He had Sodom (4)
13. Beast of burden (4)
14. Diet sheet group (4)
15. Vote against (4)
16. Deadens (4)
18. Puzzle (4)
19. Calculus calculation (4)
22. Rackets (4)
24. Burning (4)
25. 500 sheets (4)
27. Fortune's partner (4)
29. Hype (4)
31. Drag on the (4)
32. Clumsy one (4)
33. Lively, fit (4)
34. Like a fist (4)
35. Annoyed (4)
36. Ill-tempered (4)
37. Maybe it's all a plot? (4)
38. Drop off (4)
39. They may be seeded (4)
40. "Don't have a (4)
41. "I'm, man!" (4)
42. "So there's why!" (4)
43. Add-on (4)
44. Aussie hopper, for short (4)

© New York Times/Edited by Will Shortz.

Solution to Puzzle of March 28

SATE	ATLAW	DHOW
IMUS	MIAMI	ROME
NITS	ANGEL	ORNE
EST	ETIE	LEONID
WHIPPOORWILL		
BRAL	ISSAM	LOU
WILLIAM	WILLIAM	
ARA	NIJOE	WAGE
PINBALL	TWO	
WILLOTH	WELPIS	
SAFARI	FARE	DAR
OPEN	ANISE	WINI
META	MANTA	ROTO
EXES	SPEED	STAR

DESBOIDES
International Movers
5 YEARS OF EXCELLENCE
Tel. Paris (1) +1.3.84.84
Fax (1) +1.3.84.84

TO OUR READERS
IN FRANCE
It's never been easier
to subscribe and save with our new
toll free service.
Just call us today at 05 437 437.

'Gump' Sweeps Oscars, Mikhalkov Gets Foreign Award

By William Grimes
New York Times Service

Love of gadgetry is involved here. The prospect of hundreds and hundreds of TV channels emptying into our minds, of movies pumping into our eyeballs through the telephone while incoming messages are depleting our fax-paper supply and

Gore apparently sees a happier future in which the good old one nation indivisible will go through life with a laptop on every knee. Let us hope so.

The mood of the prevailing half of the country as expressed in the election just past and by the present Congress does not, however, seem to bode well for cyberspace for all.

New York Times Service

Dianne Wiest was named best supporting actress for her performance as an aging Broadway ham with delusions of grandeur in "Bullets Over Broadway." It was Wiest's second Oscar and third nomination in the category. She won for "Hannah and Her Sisters" in 1986 and was nominated for "Parenthood" in 1989.

Martin Landau was named best supporting actor for his performance as an aged Bela Lugosi in "Ed Wood," the director Tim Burton's homage to the hapless director of '50s megabombs like "Plan 9 From Outer Space" and "Bride of the Monster."

The Oscar for costume design went to "The Adventures of Priscilla Queen of the Desert." In an evening notable for its lack of outrageous attire, Lizzy Gardiner, who accepted the award with her co-winner, Tim Chappel, made a vivid impression in a dress made of American Express gold cards.

VISUAL EFFECTS: Ken Ralson, George Murphy, Stephen Rosenbaum and Allen Hall.

TECHNICAL AWARD OF MERIT: Fred and Paul Vlabos for the conception and development of the Ultimatte Electronic Blue Screen Compositing Process.

Return to APP/W/500

Clockwise from top left: Tom Hanks (best actor) kisses Jessica Lange (best actress); Martin Landau was named best supporting actor; Robert Zemeckis best director, and Dianne Wiest best supporting actress.

The Oscar for best foreign-language film went to "Burnt by the Sun," a Russian film directed by Nikita Mikhalkov. Mikhalkov brought his young daughter onstage, calling her the only actress with whom he had never experienced any problems. He then lifted her up, slung her over his shoul-

Quentin Tarantino and Roger Avary, who wrote "Pulp Fiction," won the Oscar for best original screenplay. Hans Zimmer's score for "The Lion King" received the Oscar for musical score. The Oscar for original song

went to "Can You Feel the Love Tonight," one of three nominated songs from "The Lion King," all of them composed by Elton John with lyrics by Tim Rice.

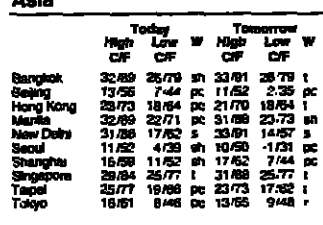
PEOPLE

Forecast for Thursday through Saturday, as provided by Accu-Weather



Japan	Unbearably Cold	Unbearably Hot	Heavy Rain	Heavy Snow
<p>North America</p> <p>Unsettled weather will prevail across the southern United States and into Texas to Georgia. The rain will reach Toronto and New York City by midweek. On Friday, Chicago will be chilly and mainly dry, and dry weather will hold away along the West Coast.</p>	<p>Europe</p> <p>A nasty storm will soak areas from southern Italy to the British Isles, with snow blankets parts of central Italy, Yugoslavia, Romania and Turkey.</p> <p>Dry but cold weather will extend from France to Poland and will have gusty winds and a few showers.</p>	<p>Asia</p> <p>Rain will dampen much of Japan Thursday. Southeast Asia will be mainly cloudy on Saturday, but the north will have snow or flurries.</p> <p>Most of moderate character or is likely in Korea. Hong Kong will be cool with some drizzle Thursday. The north tender with a few showers.</p>		

THE Princess of Wales is f



Latin America						
Buenos Aires	26.82	17.62	s	27.80	18.54	pc
Caracas	28.94	17.82	pc	28.54	17.32	pc
Lima	27.80	20.68	pc	27.80	21.76	pc
Mexico City	26.84	13.55	i	27.80	12.63	pc
Rio de Janeiro	28.82	23.73	pc	28.84	24.75	pc
Santiago	24.75	11.52	s	27.80	14.57	pc

North America						
Anchorage	0.32	-2.29	kn	5.41	-0.22	pc
Atlanta	19.85	8.34	pc	18.54	10.50	c
Boston	9.48	1.48	s	7.44	3.37	c

THE Princess of Wales is full of photographers. Speaking to a Mirror reporter about the attention of paparazzi, she said: "Do you know I go back to my hotel each afternoon and the windows of my apartment are surrounded by photographers looking at me? I feel they are raping me. I don't know what to do. I close the curtains, but they are there. I know it. I feel like Diana is on a skiving holiday in Austria with her sons William and Harry, 10. . . . Meanwhile, Charles suggested in a speech that he was an eccentric. Referring to his habit of talking with his plants, he called himself "potty prince" and "dotty."

staging of "Les Filles du Hussar" was honored here to celebrate his

Granta, the literary editor, has Jack, London's Independent succeeds Bill Buford, The New Yorker.

New upheavals at ballerina Nadezhda company a day after chief conductor, re-

es de guerre." Robert
with a special Mo-
career.

□

ry magazine, has a new
most recently editor of
ent on Sunday. He suc-
now literary editor of

□

the Bolshoi: Principal
Pavlova has quit the
er Alexander Lazarev,
igned.

□



Prague	2.16	-1.87	af	3.07	2.35	af
Plyajevka	5.41	-4.99	f	6.43	2.31	f
Rome	13.55	-6.99	dc	12.53	4.78	pc
St. Petersburg	-12.29	-6.22	af	-1.31	-6.19	pc
Stockholm	1.34	-5.24	sh	3.37	1.34	sh
Strasbourg	4.39	-4.25	pc	8.48	2.95	pc
Tallinn	-4.25	-6.18	af	-1.31	-5.24	af
Venice	8.48	1.34	sh	7.44	3.37	sh
Vienne	2.37	-4.25	c	4.39	-1.87	c
Warsaw	2.35	-4.25	af	0.32	-5.24	c
Zurich	4.39	-4.25	c	7.44	1.34	pc
Oceania						
Auckland	22.71	16.81	pc	21.73	16.81	pc

		Today		Tomorrow				Today		Tomorrow	
		High	Low	High	Low			High	Low	High	Low
Middle East											
Abu Dhabi	29/32	18/25	20/24	17/22							
Bahrain	27/30	13/55	20/20	17/50	15/55						
Jerusalem	29/39	11/62	27/39	14/57							
Manama	18/54	7/53	18/54	24/48							
Qatar	28/50	10/50	18/54	11/52							
Riyadh	25/29	12/53	32/30	13/59							
Tripoli	27/37	12/53	32/28	15/59							
Africa											
Algiers	16/54	11/52	18/51	11/52							
Cape Town	22/71	17/52	18/46	14/51							
Conakry	23/73	13/56	21/50	17/53							
Dakar	22/71	10/50	20/50	12/53							
Legos	32/39	27/50	32/36	27/50							
Nairobi	22/71	11/52	20/47	14/57							
Tripoli	17/52	4/53	12/43	4/53							

City	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Chicago	8,662	-1,131	41	7,544	-508	61	6,997	1,032	8,029	1,032	9,061	1,032	10,093	1,032	11,125	1,032	12,157	1,032	13,189	1,032	14,221
Denver	3,337	-425	41	2,912	-508	61	2,404	1,032	3,436	1,032	4,468	1,032	5,500	1,032	6,532	1,032	7,564	1,032	8,596	1,032	9,628
Dallas	1,137	818	41	2,056	-508	61	1,548	1,032	2,580	1,032	3,612	1,032	4,644	1,032	5,676	1,032	6,708	1,032	7,740	1,032	8,772
Houston	27,490	21,770	70	28,822	21,770	28,822	21,770	28,822	21,770	28,822	21,770	28,822	21,770	28,822	21,770	28,822	21,770	28,822	21,770	28,822	21,770
Phoenix	21,770	15,955	41	22,710	15,955	41	23,650	15,955	24,590	15,955	25,530	15,955	26,470	15,955	27,410	15,955	28,350	15,955	29,290	15,955	30,230
Los Angeles	22,711	8,648	41	22,711	8,648	41	22,711	8,648	22,711	8,648	22,711	8,648	22,711	8,648	22,711	8,648	22,711	8,648	22,711	8,648	22,711
San Francisco	22,711	20,688	41	22,711	20,688	41	22,711	20,688	22,711	20,688	22,711	20,688	22,711	20,688	22,711	20,688	22,711	20,688	22,711	20,688	22,711
Atlanta	29,334	-8,222	41	21,112	-508	61	20,544	1,032	21,576	1,032	22,608	1,032	23,640	1,032	24,672	1,032	25,704	1,032	26,736	1,032	27,768
Minneapolis	7,438	-8,222	41	5,216	-508	61	4,648	1,032	5,680	1,032	6,712	1,032	7,744	1,032	8,776	1,032	9,808	1,032	10,840	1,032	11,872
Montreal	6,443	-8,181	41	4,261	-508	61	3,693	1,032	4,725	1,032	5,757	1,032	6,789	1,032	7,821	1,032	8,853	1,032	9,885	1,032	10,917
Nassau	27,490	21,770	70	28,822	21,770	28,822	21,770	28,822	21,770	28,822	21,770	28,822	21,770	28,822	21,770	28,822	21,770	28,822	21,770	28,822	21,770
New York	13,655	4,738	41	11,552	4,738	41	11,552	4,738	11,552	4,738	11,552	4,738	11,552	4,738	11,552	4,738	11,552	4,738	11,552	4,738	11,552
Philadelphia	25,779	12,553	41	25,779	12,553	41	25,779	12,553	25,779	12,553	25,779	12,553	25,779	12,553	25,779	12,553	25,779	12,553	25,779	12,553	25,779
San Francisco	20,688	8,648	41	15,811	8,648	41	15,811	8,648	15,811	8,648	15,811	8,648	15,811	8,648	15,811	8,648	15,811	8,648	15,811	8,648	15,811
Seattle	19,659	6,443	41	16,811	6,443	41	16,811	6,443	16,811	6,443	16,811	6,443	16,811	6,443	16,811	6,443	16,811	6,443	16,811	6,443	16,811
Toronto	7,444	-5,222	41	4,738	-5,222	41	4,738	-5,222	4,738	-5,222	41										

lière awards Monday night. Yvanza's "Art" received Molières for and best commercial production. Meyrand was named best actor in "Les Affaires sont les affaires" also got a second award for best and a third for best subsidized production. Suzanne Flon won the best actress for her role in "La Chambre d'Alain".

Danish film director **Peter Hoeg's** best-known work, *Sense of an Event*, might star in a movie about his life. Hoeg, 40, is a handsome, friendly, and somewhat effusive man who has been in the Danish film industry since the mid-1970s. He has directed 10 feature films, and his work has been shown at major international film festivals. He is also a screenwriter and producer. Hoeg's films are known for their strong sense of social realism and their focus on the lives of ordinary people. His most recent film, *The Girl on the Train*, was released in 2019 and was a critical success. Hoeg is currently working on a new film, *The Girl on the Train*, which is based on the novel by Lisa Fiedler. Hoeg is a very talented and accomplished filmmaker, and his work is highly respected in the Danish film industry.

and beer cans at her
ake it all off.

□

ator Bille August told a
paper that Jodie Foster
rie he plans based on
telling novel "Smilla's
must win an Oscar for

HOUS
Stone
Academ
bought
tennis

THE BUYER — Actress Sharon Stone (shown here arriving at the 1995 Academy Awards ceremony) has just bought a Beverly Hills villa with a tennis court and pool for \$4.5 million.

Sydney	23/73	18/61	pc	23/73	14.57	5
--------	-------	-------	----	-------	-------	---

Accu-Weather, Inc. All maps, forecasts and data provided by Accu-Weather, Inc. © 1

Washington 14/57 4/39 gh 12/53 4/39 gh

Francien was voted the best dining

Director for his "Pelle the Conqueror"

the Los

Los Angeles Times reports.

The Eiffel Tower.

Fine cuisine.

Romantic sunsets.

Who could blame you
for missing Buffalo?

With AT&T USADirect[®] and World Connect[®],
Service you're never far from your loved ones.

Sure, Paris is beautiful. It has museums and cafes and
romance. It has artists. And poets. And culture. The
said, let's be realistic and look at what Paris doesn't
have. It doesn't have your wife. Or your kids. Or your
closest friends. Let's face it, those are the people you
want to share Paris with. And AT&T USADirect and World
Connect Service makes it fast and easy. Simply dial the
AT&T Access Number for the country you're in, and a
English-speaking operator will connect you in seconds.

Sure, you love Paris. But there's one place you have to

[illegible]

World Internet